



Southern Regional Action Plan to Improve the Quality of Early Care and Education

Survey on the Status of Implementation Efforts

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Goal 1: All children and families will have the benefit of a quality, comprehensive and coordinated early care and education system.

1.1 Public policy at the federal, state and local level will require planning and coordination across major systems to improve quality, including Head Start, state pre-kindergarten, subsidized child care and licensing.

Action taken between July 1, 2003, and June 30, 2004

In July 2003 The North Carolina Department of Health and Human Services initiated the *Early Childhood Comprehensive Systems Planning Grant*, within the NC Division of Public Health. This grant serves to develop a comprehensive early childhood service system and plan to allow multiple agencies to work together to assure children enter school ready to succeed. Consultation for the grant occurs through the Early Childhood Task Force that includes representatives from government agencies, community organizations and private firms.

More at Four, North Carolina's statewide publicly funded pre-kindergarten program continues to serve more of the state's at-risk four-year-olds. In 2003-2004, *More at Four* expanded to serve 10,000 at-risk four-year-old children statewide.

The Division of Child Development continues to coordinate efforts with the NC Department of Public Instruction to license all preschool programs located in public schools by June 2006. The Division has made grants available, through child care resource and referral agencies, to assist public schools in meeting licensing requirements.

Action taken between January 1, 2001, and June 30, 2003

More at Four, NC's pre-kindergarten program for at-risk four-year-olds started in SFY 00-01. Planning for *More at Four* was accomplished by the *More at Four* Pre-Kindergarten Program Task Force that is co-chaired by the State Superintendent of Department of Public Instruction and the Secretary of the Department of Health and Human Services. Because higher star ratings were a component of *More at Four's* program standards, *More at Four* classrooms could be located in any licensed child care program, including public schools, Head Start, and private child care. *More at Four* has expanded every year since SFY 00-01 to serve more children.

An Early Childhood Governance Workgroup was appointed in 2002. The group has representatives from *More at Four*, Smart Start, the Office of the Governor, the NC Department of Health and Human Services, the NC Department of Public Instruction, the NC Interagency Coordinating Council, the NC Head Start Collaboration Office, Child Care Services Association and the Frank Porter Graham Child Development Institute. The group meets regularly to enhance coordination efforts between early childhood programs and to make recommendations to the Governor regarding early care and education services.

A *More at Four* and Smart Start Needs and Resources assessment began in 2003, in an effort to identify gaps in related resources and services for children.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Smart Start, NC's early childhood initiative, began in 1993 in 12 counties, with services available in all counties by 1998. Smart Start's focus is on preparing children for school. Smart Start helps provide high quality child care that is affordable and available to families, and helps ensure that children's health and developmental needs are met. Smart Start laid the foundation for a stronger and better coordinated early childhood system.

NC increased minimum licensing standards in 1997 and implemented a five-star rating system of higher voluntary licensing standards in 1999. Subsidized child care payments were linked to star ratings beginning in 2000. Many Smart Start efforts use quality outcomes of higher star ratings.

NC's Head Start Collaboration Office, started in the early 1990's, is housed within the NC Division of Child Development. This partnership has promoted coordination of state early childhood and Head Start services.

1.2 *Public policy at the federal, state and local level will support families by linking early care and education programs to health coverage, physical and mental health care, nutrition, economic support, transportation and parenting education services.*

Action taken between July 1, 2003, and June 30, 2004

During 2003-2004 the Division of Child Development funded child care health consultants in each of the 18 Child Care Resource and Referral Agencies throughout the state. Child care health consultants provide technical assistance on children's health issues to child care programs.

In addition, the Task Force working on the Early Childhood Comprehensive Systems Planning Grant has been examining the issues of children's medical homes, family support, children's social and emotional health and development, and early care and education.

Action taken between January 1, 2001, and June 30, 2003

Smart Start continues to support efforts in these areas. NC's Health Choice program continues its efforts to provide health coverage for uninsured children. NC's pre-kindergarten program for at-risk four-year-olds, *More at Four*, includes health assessments and vision, hearing, dental, and developmental screenings in its program standards.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Many of these efforts to support children's health and development and to support parenting education are undertaken by local Smart Start partnerships.

NC's Work First program, which started in 1995, helps families stay off welfare, or move from welfare to work. The Work First and subsidized child care programs work together to help low-income working families strive to be self-sufficient.

Since 1998, NC has been enrolling children in Health Choice, the State's children's health insurance program.

1.3 Federal, state and local policies and systems will ensure coordinated, seamless transitions for children moving among early care and education programs and into kindergarten.

Action taken between July 1, 2003, and June 30, 2004

Work on North Carolina's early learning guidelines was completed in 2004, with *Foundations: Early Learning Standards for North Carolina Preschoolers and Strategies for Guiding Their Success* formally endorsed by the State Board of Education after June 30. The North Carolina Department of Public Instruction led the effort to develop early learning guidelines for children moving from early care and education systems into kindergarten programs. The guidelines were designed to be applicable to all early childhood education settings.

Action taken between January 1, 2001, and June 30, 2003

In 2002, the NC Department of Public Instruction convened a Preschool Standards Committee of early childhood educators and experts to develop early learning guidelines for preschool children in NC. The standards are being designed to apply across the various early childhood settings.

Smart Start continues to be instrumental in this area. Children who attend centers participating in Smart Start-supported activities have better math and language skills and fewer behavior problems when they enter kindergarten than children from other child care facilities. A recent Smart Start evaluation found that the quality of child care has increased, and that children are better prepared for school because of Smart Start.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The NC School Improvement Panel, under the direction of the State Board of Education, established the Ready for School Goal Team in September 1999 to define school readiness for the state and to develop a plan to assess school readiness statewide. A kindergarten readiness study was completed in 2000. The Ready for School Goal Team established guidelines for transition practices to ensure smooth transitions for families and children moving into pre-kindergarten programs and from pre-kindergarten programs into kindergarten. The *More at Four* pre-kindergarten Program requires written transition plans as part of its program standards.

Goal 2: Rigorous licensing requirements and/or regulatory processes will be enacted to ensure that children are adequately protected in all early care and education settings.

2.1 States will establish staff-child ratios and maximum group sizes for centers and homes that meet NAEYC¹, NAFCC², APHA³ or AAP⁴ national standards.

Action taken between July 1, 2003, and June 30, 2004

No changes to report.

Action taken between January 1, 2001, and June 30, 2003

No additional changes have been made to the staff/child ratio or group size requirements since January 1, 2001.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

In 1995 staff/child ratios were improved for infants and toddlers (ages 0 to 3 years) from 1:6 for infants, 1:7 for ones, and 1:12 for twos down to 1:5 for infants, 1:6 for ones, and 1:10 for twos (group size is double the number of allowed children, i.e. for infants the maximum group size is 10 children with 2 staff). In addition, centers could voluntarily meet the higher AAP requirements which included reduced ratios for older children, including a 1:9 ratio for two-year-olds.

In April 1999 the rules for NC Star Rated Licenses were adopted. At the highest star level, ratios are reduced even further to 1:4 for infants, 1:5 for ones and 1:8 for twos. For Family Child Care Homes, NAFCC accreditation is accepted for meeting the higher program standards in the Star Rated License. Or, at the highest level, home providers must limit their care to no more than three children who are less than one-year-old.

2.2 States will develop and enforce health, fire and safety requirements for all early care and education settings that reflect standards set forth by the APHA and the AAP.

Action taken between July 1, 2003, and June 30, 2004

No new changes to report from our prior actions taken.

Action taken between January 1, 2001, and June 30, 2003

Evacuation cribs were required for all non mobile children as of April 2001.

International Building Codes were adopted by the NC Department of Insurance in 2002 which impacted both building and fire codes for child care centers.

Legislation has been enacted which requires that babies are placed on their backs to sleep and caregivers are trained about SIDS risk reduction.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

In 1997 strict requirements for playground safety were adopted. They were amended in 1998 but maintained the key safety pieces as requirements.

Environment rating scales are completed for programs applying for 3, 4 or 5 points in the program component of the rated license. The rating scales evaluate compliance with standards that correspond with APHA and AAP standards.

2.3 State law will require strict enforcement of licensing requirements. States will use a range of sanctions that will include license revocation when a provider is unable or unwilling to meet requirements.

Action taken between July 1, 2003, and June 30, 2004

Additional staff were hired in October 2003 to improve the time taken to conclude investigations involving allegations of child abuse and neglect. Closing investigations in a timely manner ensures corrective action is taken. The addition of staff allows for an increased number of follow-up visits to programs with more stringent administrative actions.

Action taken between January 1, 2001, and June 30, 2003

The ability to deny an initial application was strengthened in April 2003 to include additional circumstances that will be considered (i.e. previous denials or revocations, relationships to other operators who have had a license denied or revoked.)

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Since 1988 administrative sanctions have been available as an enforcement technique for child care providers. The sanctions range from the least severe of a written reprimand, to a revocation of a license.

2.4 States will conduct at least three unannounced monitoring visits per year to verify compliance with requirements.

Action taken between July 1, 2003, and June 30, 2004

No changes to report.

Action taken between January 1, 2001, and June 30, 2003

Additional staff were hired in July 2001 to facilitate making visits annually to family child care homes. Currently each home receives one unannounced visit annually. Each center receives, at a minimum, one unannounced visit annually, and two as time allows. Visits are also completed for complaint investigations and these visits are also unannounced.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Annual visits were completed to child care centers. In 1999 the visits were changed from being announced monitoring visits to unannounced.

2.5 States will require that child care providers, early childhood teachers and others who have regular access to children in early childhood settings have federal and state background checks using fingerprinting and screening against the state child abuse registry.

Action taken between July 1, 2003, and June 30, 2004

No new changes to report from prior actions taken.

Action taken between January 1, 2001, and June 30, 2003

No changes have been made on or after January 2001.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

As of January 1996 all child care providers had to complete a state level criminal records background check. A federal check is completed if the individual has lived in North Carolina for less than five years. In family child care homes, household members who are present when children are in care must also complete the background check. There is no screening against the abuse registry.

2.6 States will ensure that all licensing and early care and education staff are educated in recognizing signs of child abuse and are trained in the state's child abuse reporting laws.

Action taken between July 1, 2003, and June 30, 2004

In May 2003 a multi-agency task force was convened by the NC Department of Health and Human Services to address the maltreatment and deaths of children in child care facilities. The Task Force concluded their work in January 2004. Recommendations of the Task Force are currently under consideration.

Action taken between January 1, 2001, and June 30, 2003

No changes have been made on or after January 2001.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Each staff person must complete 10 hours of orientation. One topic which must be included during the 10 hours is recognizing and reporting child abuse/neglect.

2.7 States will have a well-trained regulatory workforce with average caseloads between 50 and 75 per staff person⁵ and a system capable of providing technical assistance.

Action taken between July 1, 2003, and June 30, 2004

No changes to report.

Action taken between January 1, 2001, and June 30, 2003

Additional staff were hired which reduced the overall caseload to 90 programs. An additional group of staff were hired that were designated as lead licensing consultants. The role of the lead consultants is to provide technical assistance to new programs that are opening, to work with existing programs that are encountering difficulties based on failure to comply and/or administrative action, and to mentor new child care consultants. These lead consultants are not included when determining caseloads, but are an effective resource for providing technical assistance.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Prior to 2001 the average caseload for a child care consultant was 137 child care centers and family child care homes.

2.8 States will ensure parental right of access to their child's early care and education facilities.

Action taken between July 1, 2003, and June 30, 2004

No changes to report.

Action taken between January 1, 2001, and June 30, 2003

No changes have been made on or after January 2001.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The rules require that parents have unlimited access to the child care programs during its operating hours to either contact the child, or to evaluate the program and the care being provided.

Goal 3: States will support development of quality early care and education programs for all children.

3.1 States will provide all early care and education providers with resources to help them improve the quality of care and education they deliver, such as technical assistance and training, accreditation support, grants to meet health and safety requirements and grants to support family child care home networks.

Action taken between July 1, 2003, and June 30, 2004

The T.E.A.C.H. Early Childhood Project®, including T.E.A.C.H. Early Childhood Health Insurance continues to assist providers. The T.E.A.C.H. scholarship for *More at Four* teachers continues to offer assistance to teachers in meeting *More at Four's* educational requirements. DCD continues to use CCDF quality funds, as described in earlier reports, to fund these initiatives.

In addition, Smart Start continues to offer quality enhancements grants and technical assistance to providers and continues to fund the WAGE\$® salary supplement program.

Action taken between January 1, 2001, and June 30, 2003

The T.E.A.C.H. Early Childhood Program, including T.E.A.C.H. Early Childhood Health Insurance, continues to assist providers. A new T.E.A.C.H. scholarship has been added to assist *More at Four* teachers in meeting *More at Four's* educational requirements.

DCD continues to use CCDF quality funds as described above. Smart Start continues to offer quality enhancements and technical assistance for providers, and continues to fund WAGE\$.

More at Four offers professional development opportunities for its teachers.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

NC has many resources to support early care and education providers. The T.E.A.C.H. Early Childhood Scholarship Program helps child care teachers obtain early childhood education through tuition assistance and a bonus upon completion. The T.E.A.C.H. Early Childhood Health Insurance Program helps T.E.A.C.H. participants with the cost of health insurance. The WAGE\$ program provides salary supplements to child care providers once they have completed early childhood coursework.

The NC Division of Child Development (DCD) has used Child Care and Development Fund (CCDF) quality set-asides to fund various grants and a revolving loan fund for providers. CCDF quality funds have been used to offer training opportunities to providers, and to fund child care resource and referral agencies that provide technical assistance to child care providers.

Smart Start has provided substantial technical assistance to providers along with quality improvement grant opportunities. Smart Start also funds the WAGE\$ salary supplement program.

3.2 States will have Child Care Resource and Referral networks to deliver quality early care and education enhancement support services to providers, such as outreach, training and technical assistance.

Action taken between July 1, 2003, and June 30, 2004

See 5.1.

Action taken between January 1, 2001, and June 30, 2003

The NC Child Care Resource and Referral Network established a website www.ncchildcarenetwork.org, making information, and resources more readily accessible to agencies, providers, and parents around the state.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The NC Child Care Resource and Referral Network is the member organization for local child care resource and referral agencies (R&Rs) across the state. The Network has a 2-tier voluntary accreditation system for member agencies to measure the quality of their services against Network standards. The local R&Rs support child care providers through technical assistance and training in abuse and neglect prevention, customer service, and the state Star Rated Licensing system as well as the various aspects of child care administration, business practices, professional development and inclusion issues. Outreach services include resource lending libraries, program assessments, and quality improvement initiatives.

3.3 States will implement a rating system to recognize providers for incremental levels of quality.

Action taken between July 1, 2003, and June 30, 2004

There have been no changes to the criteria for NC's rated license during SFY 2003-04. As of June 2004, over 65% of North Carolina's child care facilities had attained the higher ratings of 3 to 5 stars. These facilities care for 178,176 children—over 75% of children enrolled in regulated care.

Action taken between January 1, 2001, and June 30, 2003

There have been no changes to the rated license requirements. Almost 70% of the children in regulated care in NC are currently enrolled in programs with ratings of three stars or higher.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

NC implemented a five-star rated license for child care centers and homes in 1999 to recognize progressive levels of voluntary standards leading to higher quality programs. The ratings are based on scores for program standards, staff education and experience, and history of compliance with licensing regulations. A one-star rating is mandatory for all licensed programs, with programs applying for ratings of 2-5 stars based on criteria met. Environment rating scale assessments to evaluate the quality of care are included in the program standards component of the rated license.

Ratings of licensed programs were tied to subsidized child care reimbursement rates in 2000. Market rates progress up the five levels of star ratings.

3.4 States will implement tax and other incentives to develop and expand early care and education programs that demonstrate a higher level of quality.

Action taken between July 1, 2003, and June 30, 2004

No action taken.

Action taken between January 1, 2001, and June 30, 2003

No action taken.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

No action taken.

3.5 States will use a formal mechanism to seek parental input in program evaluations and will use that information in making policy decisions related to early care and education programs.

Action taken between July 1, 2003, and June 30, 2004

There is no formal mechanism for seeking parental input.

Action taken between January 1, 2001, and June 30, 2003

There is no formal mechanism for seeking parental input.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

There is no formal mechanism for seeking parental input. However, parent focus groups were held around the state as the rated license was being developed to solicit input and gauge reaction to the rating system.

3.6 States will identify and support the use of effective research based curricula.

Action taken between July 1, 2003, and June 30, 2004

The *More at Four* program continues to require that research-based curricula be used in *More at Four* classrooms.

Action taken between January 1, 2001, and June 30, 2003

More at Four continues to require use of research-based curricula.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

NC's child care licensing regulations do not require use of certain curricula in child care. However, NC's pre-kindergarten program, *More at Four*, requires the use of research-based curricula as part of its program standards. *More at Four* programs may choose from several options for approved curricula.

Goal 4: Staff in early care and education settings will be appropriately credentialed and adequately compensated.

4.1 States will maintain a professional development system that ensures, at a minimum, providers in early care and education settings meet standards set forth by NAEYC, NAFCC, APHA or AAP.

Action taken between July 1, 2003, and June 30, 2004

North Carolina Child Care Law and Rules which require higher education levels for child care lead teachers and administrators continues to be in place. Over 44,417 Early Childhood Credentials have been awarded to child care teachers since 1993. This number represents a 7,417 increase since our 2002-2003 report to Southern Institute. In addition, over 6,729 administrator credentials (certificates or equivalencies) have been awarded since 1998. This number represents an additional 2,729 since we last reported to the Southern Institute on this topic in 2002-2003.

The Professional Development Institute continues to advise the Division of Child Development by facilitating and coordinating initiatives which impact the professional development system and by promoting leadership of the professional development programs.

Action taken between January 1, 2001, and June 30, 2003

No change.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

North Carolina Child Care Law and Rules were changed in 1997 and 1998 to require higher education levels for child care lead teachers and administrators. A child care provider must complete the North Carolina Early Childhood Credential (NCECC) or its equivalent to be a lead teacher. Child care credential curriculum courses (EDU 111 and 112 or EDU 119, a total of four semester credit hours) were developed in the community college system and are now taught at all 58 North Carolina Community Colleges. These courses were developed to meet NAEYC guidelines and CDA performance standards. Over 37,000 Early Childhood Credentials have been awarded since 1993. Another two semester credit hour course (EDU 113) for family child care providers was developed to meet NAFCC standards and a provider may earn the North Carolina Family Child Care Credential by taking this along with EDU 111 or 119.

In order to administer a child care program, a provider must complete the North Carolina Early Childhood Administration Credential (Level I, II or III) or its equivalent. This credential has three components: administration coursework, early childhood/child development (EC/CD) coursework, and a portfolio. The administration coursework component can be met by taking EDU 261 and EDU 262 (five semester credit hours) in the NC Community College system, or by a combination of six semester credit hours in child care administration or nine semester credit hours in business administration. The EC/CD component for Level I requires seven semester credit hours or the NCECC plus three years experience as a director; Level II requires an associate degree; and Level III requires a bachelor's degree. If the degree is not in the field of early childhood/child development, there must be at least 12 hours of EC/CD coursework in the associate degree and 18 hours in the bachelor's degree. The portfolio component is met through completion of a specified number of assignments or waived if the provider has five or more years of experience as an administrator. Over 4000 administrator credentials (certificates or equivalencies) have been awarded since 1998.

An additional resource and support is the NC Institute for Early Childhood Professional Development, established in 1993. The Institute is an advisory group to the Division of Child Development composed of representatives of Head Start, Child Care Resource and Referral, Community Colleges and Universities, Cooperative Extension, Smart Start, T.E.A.C.H., Department of Public Instruction, Division of Mental Health and many more organizations that promote good health and good care for young children. The Institute facilitates and coordinates initiatives and promotes leadership that will result in a comprehensive early care and education professional development system for the state. It is the intent of the Institute to increase the quality of child care in our state through the system of enhanced education and compensation for the people who work with North Carolina's young children.

4.2 States will require approved ongoing annual professional development for staff, appropriate to their education levels and job requirements, as specified in APHA and AAP. States will provide and implement a professional development system that verifies trainers, approves training and tracks the training of participants.

Action taken between July 1, 2003, and June 30, 2004

Child care providers continue to be required to participate in annual in-service training as required under rules enacted in 1986 and amended in 1998. Requirements and updates for training requirements can continue to be found at the following DCD website address: http://ncchildcare.dhhs.state.nc.us/providers/pv_sn2_ti.asp.

Action taken between January 1, 2001, and June 30, 2003

Information about the in-service training approval system is now available on DCD's new website at http://ncchildcare.dhhs.state.nc.us/providers/pv_sn2_ti.asp.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Under rules enacted in 1986 and last amended in 1998, child care providers are required to participate in annual in-service training. The number of hours required is based on the individual's educational level and job requirements (Child Care Rule .0707). Child care providers may only receive credit for in-service training after it has been approved by the Division (Child Care Rule .0708). Private and agency trainers must submit an In-service Training Packet which consists of documentation verifying trainer qualifications, a summary of the major points of the presentation, and the methodology of the training. This information is reviewed by the Training Unit of the Workforce Section of the Division for compliance with topic areas cited in G.S. 110-91(11). After approval by the Division, the trainer is sent written approval for the training to take place. With this approval the trainer is authorized to present the participants with a certificate indicating credits received from the training. The Training Unit maintains a file and a database of all approved trainings and their rosters. The Child Care Licensing consultant reviews the individual files of child care providers annually. Training requirements are based on the educational levels and job requirements of each provider. Files are maintained at the child care center and with the Child Care Licensing Consultant.

- 4.3 *The federal government and states will provide universally available, comprehensive scholarships to early care and education providers who are pursuing a CDA or two- or four-year degree in child development, early childhood education, early childhood special education or child care administration. Scholarships will address the costs of tuition, fees and books and will support components such as travel costs, paid release time and child care.***

Action taken between July 1, 2003, and June 30, 2004

The T.E.A.C.H. Early Childhood® Project continues to be successful in improving the education, compensation, and retention of the early childhood workforce. During the period 2003-2004 the following was accomplished:

- Over 3,802 teachers, directors and family child care providers received T.E.A.C.H. Early Childhood® Project scholarships.
- Twenty-seven percent (27%) of North Carolina's child care centers had at least one participant on a scholarship.

- Over 3,065 of those scholarships supported child care professionals taking courses leading to an associate degree in early childhood education.
- Teachers participating in the associate degree scholarship program completed an average of 14 semester hours per contract, saw their compensation improve by 11% and left their child care centers at a rate of less than 8% per year.

Providers searching for information about financial assistance for education can link from DCD's website: http://ncchildcare.dhhs.state.nc.us/providers/pv_sn2_eres.asp to CCSA's website <http://www.childcareservices.org/> to learn more about The T.E.A.C.H. Early Childhood® Project.

Action taken between January 1, 2001, and June 30, 2003

The T.E.A.C.H. Early Childhood® Project has been successful in improving the education, compensation, and retention of the early childhood workforce. For example, in 2001-2002:

- Over 4,300 teachers, directors, and family child care providers received T.E.A.C.H. Early Childhood® Project scholarships.
- Thirty-two percent (32%) of North Carolina's child care centers had at least one participant on scholarship.
- Over 3,000 of those scholarships supported child care professionals taking courses leading to an associate degree in early childhood education.
- Teachers participating in the associate degree scholarship program completed an average of 14 semester hours per contract, saw their compensation improve by over 13% percent annually and left their child care centers at a rate of less than 9% per year.

Providers searching for information about financial assistance for education can link from DCD's website http://ncchildcare.dhhs.state.nc.us/providers/pv_sn2_eres.asp to CCSA's website <http://www.childcareservices.org/> to learn more about The T.E.A.C.H. Early Childhood® Project.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

In 1990, Child Care Services Association (CCSA) in Chapel Hill, NC created the Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood® Project to address the issues of under-education, poor compensation, and high turnover within the early childhood workforce. Each T.E.A.C.H. scholarship program has four components:

Scholarship. The scholarship usually covers partial costs for tuition, books, and assessment fees. Many scholarships provide paid release time and a stipend for travel expenses.

Education. In return for receiving a scholarship, each participant must successfully complete a certain number of semester credit hours at a college or community college within a certain length of time.

Compensation. Upon completion of the different levels of education, students are eligible to receive increased compensation in the form of a bonus (ranging from \$100 to \$700) or a raise (4% or 5%).

Commitment. Participants then must honor their commitment to stay in their child care program.

4.4 States will work with educational institutions to ensure that coursework is accessible in order to meet the early care and education workforce training needs, such as courses offered at night, on weekends, in accelerated formats, on-line and in various languages. Courses will address the varying educational levels of the workforce.

Action taken between July 1, 2003, and June 30, 2004

DCD funded two additional distance learning projects (ACCESS and ACCESS II) in order to support access to and successful completion of early childhood coursework via distance learning in rural counties in North Carolina.

Action taken between January 1, 2001, and June 30, 2003

DCD and NCCCS have continued a collaboration to address barriers to a comprehensive educational system for the state's early childhood workforce. The NCCCS Office estimates that the System served 800,000 people in the last year, an estimated 10 percent increase from the 2000-2001 academic year. Community colleges have increased the number of fast track, early bird (beginning at 7 a.m.), and weekend classes, and there has been a dramatic increase in the number of students taking courses through distance learning. The System had a 48 percent increase in distance learning enrollments over a three-year period. In 2001-2002, DCD worked with NCCCS, Smart Start, and the Frank Porter Graham Institute to develop Project CONTACT, a model system of delivery and support for early childhood college courses offered on the Internet in North Carolina. Currently the courses offered through distance learning vary greatly from school to school and semester to semester. It is anticipated that the entire Early Childhood Associate in Applied Science degree will be available online by 2004. Links to educational resources can be found on DCD's new website at http://ncchildcare.dhhs.state.nc.us/providers/pv_sn2_eres.asp.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

From 1992 to 1999, the Division of Child Development (DCD), advised by the Institute for Early Childhood Professional Development, directed approximately \$1.5 million into the NC Community College System (NCCCS) to support development of early childhood credential courses and lab schools, and to establish or strengthen early childhood departments in all 58 colleges in the system.

4.5 The federal government and states will provide financial incentives that reward completion of approved levels of professional development.

Action taken between July 1, 2003, and June 30, 2004

The Child Care WAGE\$® Project continues to improve child care quality by reducing teacher turnover and by encouraging the continued education of teachers, directors and family child care providers. During fiscal year 2003-2004 the following progress was accomplished:

- CCSA administered the statewide Child Care WAGE\$® Project in 59 North Carolina counties.
- The annual turnover rate was 16% for WAGE\$® Project participants, far less than the statewide turnover rate of 31%.
- Fifty-six percent (56%) of WAGE\$® Project participants indicated that they had taken college level coursework since applying to the Child Care WAGE\$® Project and 92% plan to do so in the future.
- At least 17% of WAGE\$® Project participants moved up a level of the supplement scale due to continued education.
- More than 7,885 providers in North Carolina participated in the WAGE\$® Project in 2003-2004.

Child care providers can get more information on WAGE\$ by linking from DCD's web page http://ncchildcare.dhhs.state.nc.us/providers/pv_providres.asp to CCSA's web site <http://www.childcareservices.org/>

Action taken between January 1, 2001, and June 30, 2003

The Child Care WAGE\$® Project has been successful in improving child care quality by reducing turnover and encouraging the continued education of teachers, directors and family child care providers. During the fiscal year 2001-2002:

- CCSA administered the statewide Child Care WAGES ®Project in 63 North Carolina counties.
- The annual turnover rate was 17% for WAGES® Project participants, far less than the statewide turnover rate of 31% per year.
- Sixty-four percent (64%) of WAGE\$® Project participants indicated that they had taken college level coursework since applying to the Child Care WAGE\$® Project and 84% plan to do so in the future.
- Fifteen percent (15%) of WAGES® Project participants moved up a level on the supplement scale due to continued education.
- More than 8,700 providers in North Carolina participated in the Project.

Child care providers can get more information on WAGE\$ by linking from DCD's web page http://ncchildcare.dhhs.state.nc.us/providers/pv_providres.asp to CCSA's web site <http://www.childcareservices.org/>

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Child Care Services Association (CCSA) created the Child Care WAGE\$® Project in 1994 in Orange County, North Carolina to address the issues of low compensation and high turnover in the early childhood workforce. Because of the success in the Wage\$®

Project in Orange County, the program was taken statewide in 1999 via a collaborative contractual agreement between CCSA, the North Carolina Partnership for Children (NCPC) and the Division of Child Development (DCD).

4.6 *The federal government and states will provide college loan forgiveness programs for persons earning an approved degree who work for a specified period of time in early care and education programs.*

Action taken between July 1, 2003, and June 30, 2004

A variety of state and federal loan forgiveness programs outlined in "Action Taken Prior to 2001" continued to operate in North Carolina.

Action taken between January 1, 2001, and June 30, 2003

No action taken.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The following state loan forgiveness programs are available to persons earning an approved degree in education:

The Prospective Teacher Scholarship Loan and North Carolina Teaching Fellows Program-Teacher Education Section, NC Department of Public Instruction, 301 N. Wilmington Street, Raleigh, NC 27601-2825.

One year of the loan will be forgiven for each full year a recipient teaches or works in a North Carolina public school. These programs are funded by the North Carolina General Assembly.

The following federal program is available:

Child Care Provider Loan Forgiveness Demonstration Program (1-888-562-7002).

4.7 *States will work toward a system whereby staff with approved degrees or credentials will receive employment benefits and compensation at comparable levels to the state's public education system.*

Action taken between July 1, 2003, and June 30, 2004

The N.C. Institute for Early Childhood Professional Development salary schedule model continues to be used as a suggested beginning point when determining more equitable compensation of child care providers compared to public school teachers with equivalent education.

Information regarding the Institute's salary schedule model can be found at <http://www.ncchildcare.org/salary/index.html>

Action taken between January 1, 2001, and June 30, 2003

Previous program is continuing.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The Compensation and Education Task Group of the N.C. Institute for Early Childhood Professional Development created a salary schedule model for use by communities and child care programs as they work toward creating better and more strategic compensation for the early childhood workforce. The schedule is linked to levels of education and job responsibility. The goal of the salary schedule model is to provide compensation to child care teachers comparable to that of teachers in the public

schools with equivalent education. The Institute's website www.ncchildcare.org has further information on this model and other supports for improving compensation of the child care workforce at <http://www.ncchildcare.org/pubs.html>.

4.8 States will ensure meaningful agreements and processes to enable the transfer of credits between and among approved two- and four-year degree programs.

Action taken between July 1, 2003, and June 30, 2004

*The Professional Development Infrastructure Coordination Task Group of the Professional Development Institute continues to promote recommendations to facilitate articulation agreements between two- and four-year degree programs in Early Childhood Education. The Institute produced a manual titled *North Carolina Early Childhood Education Articulation Manual*; information on this document can be found on the Institute's website at [nchildcare.org](http://www.ncchildcare.org). In addition, the Institute worked with the *North Carolina Birth – Kindergarten Consortium* and the *North Carolina Community College System (NCCCS)* to sponsor public forums and regional work sessions for two and four-year post secondary institutions to create viable and equitable articulation agreements. To date six four-year colleges and universities have reached such agreements with the state's 58 community colleges.*

Action taken between January 1, 2001, and June 30, 2003

The Professional Development Infrastructure Coordination task group of the Institute continues to promote the recommendations of the study and facilitate articulation agreements. The Institute will sponsor a track of such workshops for post-secondary early childhood programs at the NC-AEYC annual conference in September 2003.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The North Carolina Comprehensive Articulation Agreement (CAA) was established in 1997. This is a statewide agreement governing the transfer of credits between N.C. community colleges and public universities in North Carolina, approved by the Board of Governors of the University of North Carolina and the N.C. State Board of Community Colleges. The CAA enables some NC community college graduates who are admitted to constituent institutions of the University of North Carolina to transfer with junior status. However, the issue of articulation of credit between 2- and 4-year degree programs in early childhood education has been a long-standing barrier to the professional development of early childhood educators. In 2000, the North Carolina Institute for Early Childhood Professional Development (the Institute), an advisory board to the Division of Child Development, NC DHHS, published the [North Carolina Early Childhood Education Articulation Manual: a study exploring the facilitation of the transfer of credit between Early Childhood Education/Child Development Departments in Two- and Four-Year Institutions of Higher Education](#). The study investigated the success of early childhood education students transferring from 2-year AAS programs to 4-year BA and BS programs, and makes recommendations for improved articulation agreements. The executive summary of this study is available in PDF format on the Institute's website at <http://www.ncchildcare.org/pubs.html>.

Goal 5: Families will have the information to make well-informed decisions about the quality of their child's care and education and to be actively involved in their child's care and education.

5.1 States will support Child Care Resource and Referral networks that are easily accessible to parents and that provide information on child development, quality indicators, provider choices, vacancies and linkages to additional information.

Action taken between July 1, 2003, and June 30, 2004

Child care resource and referral (CCR&R) services link families, child care providers, and community partners. This allows families to have a single point of access in receiving assistance in identifying child care options, making informed decisions about child care choices, and matching needs to available resources. CCR & R offers child care providers appropriate training, technical assistance, and support to provide high quality services. CCR&R provides the community with a means to build the supply of child care resources, receive information on issues involving children and families, and access to data on the supply and demand for child care. CCR & R agencies also help determine where resources should be allocated to best respond to the needs of families in the community.

The Division initiated a Request for Application (RFA) process to seek applications from consortiums of existing agencies in order to combine their efforts to establish a regional plan to provide child care resource and referral services. The intent of a regional approach is to encourage the coordination and integration of child care resource and referral service delivery systems, as well as to reduce administrative costs associated with funding multiple agencies. Agencies submitted applications in response to the RFA in order to be considered for federal CCDF funding to administer the provision of child care resource and referral services in 18 regional areas. One agency per region was selected through this process.

Services being provided include effective technical assistance to child care providers and consumer-appropriate resource information to parents and the community, resulting in the production of higher quality child care options. Other core services can include activities to promote consumer information and parental choice, assistance to child care providers, documentation of trends, building the supply of child care, and leveraging resources through public/private partnerships. Agencies must also plan for training/technical assistance strategies to support decreased numbers of substantiations of child abuse or neglect in child care facilities in their region.

Action taken between January 1, 2001, and June 30, 2003

Previous program continuing.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Local child care resource and referral agencies, supported by the NC Child Care Resource and Referral Network, provide parents with information in the area of child development and quality child care. Technical Assistance Coordinators and Associates provide information on the different types of child care arrangements offered and their unique benefits. Staff also educates parents about quality indicators such as the state Star Rated Licensing system and voluntary national accreditations. Parents are

informed of links to the Network's website www.ncchildcarenetwork.org, the Division of Child Development website www.ncchildcare.net and to other websites that foster the healthy development of children and school readiness.

5.2 States will support early care and education providers in promoting parental involvement and in seeking parental input into the development and improvement of their programs.

Action taken between July 1, 2003, and June 30, 2004

The efforts cited in previous surveys are continuing.

Action taken between January 1, 2001, and June 30, 2003

Previous program is continuing.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Head Start, Smart Start, and Child Care Resource and Referral Agencies provide parental input in program development through parent advisory boards; parent satisfaction surveys; staff training on how to effectively work with parents; publications on topics such as Spanish as a second language, school readiness, brain development, and outdoor environments; promotion of child advocacy through involvement with the legislature; and parent committees who plan and publicize an array of individual child care options and group activities.

Goal 6: Quality early care and education programs will be financially accessible to all children.

6.1 Federal and state governments will adjust the child care tax credit expense limits to accurately reflect the cost of quality care.

Action taken between July 1, 2003, and June 30, 2004

No action taken.

Action taken between January 1, 2001, and June 30, 2003

No action taken.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

No action taken.

6.2 States with income taxes will establish refundable child and dependent care tax credits.

Action taken between July 1, 2003, and June 30, 2004

NC's child and dependent care tax credit is not refundable. However, the tax credit for each dependent child rose from \$60 to \$75 per child in 2003 for North Carolina taxpayers with children under age 17. To qualify, taxpayers must have had adjusted

gross incomes less than the designated threshold for their particular filing status (married filing jointly, head of household, single, married filing separately). Tax credit amounts will rise to \$100 per child for tax year 2004.

Action taken between January 1, 2001, and June 30, 2003

In North Carolina, if an individual claims an income tax credit for child and dependent care expenses on his/her federal return, he/she may also claim a tax credit for these expenses on the North Carolina return. The credit will either increase the refund or decrease the tax they owe. The child and dependent care expenses claimed on the federal return will also be used in determining the individual's state credit. Additionally, expenses incurred in the previous tax year but were not paid until the current tax year should be included. Child support payments do not qualify as child and dependent care expenses. Total expenses cannot exceed \$2,400 for one dependent or \$4,800 for two or more dependents. The amount of the individual's credit depends on the following:

- Age of the dependents
- The individual's filing state – single, head of household, etc.
- The amount of the federal adjusted gross income
- Whether the dependents were physically or mentally incapable of caring for themselves.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

No action taken.

6.3 State and federal child and dependent care tax credit income-eligibility and expense limits will be indexed for inflation.

Action taken between July 1, 2003, and June 30, 2004

No Action Taken.

Action taken between January 1, 2001, and June 30, 2003

No action taken.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

No action taken.

6.4 Federal, state, local and private funds will be sufficient to meet 100% of the need for direct early care and education financial aid, based on initial eligibility levels at 85% of the state median income. Federal law will allow and states will implement re-determination policies that allow families to retain early care and education financial aid until they reach 100% of state median income.

Action taken between July 1, 2003, and June 30, 2004

A subsidy allocation formula implemented in 2003 allows the Division of Child Development to identify the number of children who are potentially eligible for subsidy services. The formula indicates that there are over 300,000 potentially eligible children

and that about \$1.3 billion in subsidy funding is needed to serve these children. Despite the fact that additional state subsidy funds have been provided by the General Assembly in the past few years, there is still only enough funding (state and federal combined) to meet about one third of the need.

The current subsidy income guidelines allow families to be served whose earnings do not exceed 75% of state median income. These income guidelines did not change during the 03-04 year.

Action taken between January 1, 2001, and June 30, 2003

Subsidy funds were allocated as described above until the 2003-2004 fiscal year. New efforts are now in place that truly identify the actual need in each county. Empirical data is gathered by the Division of Child Development for each county and used in a needs allocation formula. Data gathered includes the number of children age 11 and under whose parent or parents work and whose income does not exceed 75% of state median income. This result is then adjusted to reflect the additional Smart Start subsidy dollars available in each county to children age five and under.

When this assessment of need was completed, North Carolina needed more than \$1.3 billion for fiscal year 2003-2004. Revenues from all funding sources, however, amount to only \$356 million. In July 2003, subsidy funds were allocated on a pro rata basis according to this need allocation formula. Due to the gap in measured need and available resources, the Division of Child Development is currently preparing and distributing county "fact sheets" which will be distributed to county departments of social services, families, providers and local businesses with the goal of educating citizens about the increased need for subsidy funds and the benefits of children receiving a quality early childhood education.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

In 1996 North Carolina adopted a "seamless subsidized child care" system where state and federal funding sources were blended and allocated to each county's department of social services using a formula that considered demographic information as well as subsidy expenditure information. This seamless system allowed families to access subsidy funds at one location in the county. In addition, eligibility limits changed from 43% of state median income to 75% of state median income. The need for subsidy was measured on the basis of existing waiting lists which represented the unmet need for subsidy services. Although waiting list information, by itself, was not a true reflection of the real need, it was the best method available at the time to assess the need for service.

In 1993 the North Carolina Legislature funded the Smart Start Early Childhood Initiative. Smart Start began to contribute to the goal of providing subsidy services in 1997 when legislation mandated that a minimum of thirty percent of Smart Start funds be directed towards some form of child care subsidy service.

Re-determinations for subsidy services were based upon continued eligibility according to guidelines at 75% of state median income.

Estimates are unknown for how private funds impact meeting 100% of the need for child care assistance. Because the waiting list for publicly funded child care assistance has continued to grow, there is little evidence that private funds offset the need in any substantial way. However, a few examples can be highlighted: United Way, The Boys and Girls Club/Salvation Army, Duke Endowment provide some resources, although the extent of their efforts is not known. In addition, many Smart Start partnerships fund a scholarship program that expands income eligibility in that county. One example of this is the Alleghany Partnership for Children which raises private funds for school-age care during the summer months. The demand for child care assistance in Alleghany County exceeded the department of social services' allocation of subsidy funds for the past two years. Approximately \$7,000.00 has been raised to pay for full-time care.

6.5 *Federal and state governments should develop policies and systems to assure families receiving financial aid pay no more than 10% of their gross income for early care and education.*

Action taken between July 1, 2003, and June 30, 2004

There was no change in North Carolina's policies during this time. The parent co-payment amounts were established by state legislation in 2001 and are 8, 9 and 10% respectively based gross family income and family size.

Action taken between January 1, 2001, and June 30, 2003

Legislation passed September 26, 2001, increased the co-pay percentages to 8, 9 and 10% respectively based on gross family income and family size.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

1995 NC legislation mandated co-payments of 7%, 8%, and 9% of gross family income adjusted for family size.

6.6 *States will set payment rates at no less than the 75th percentile based on a market rate survey conducted every two years for each level and type of care. Annual inflation adjustments to payment rates will be made between market surveys.*

Action taken between July 1, 2003, and June 30, 2004

There was no action taken to adjust market rates during this time period. Rates were set at the 75th percentile at the time they were established in 2000. The last adjustment was made in April 2003. The increased demand for services, the increase in the average subsidy payment and the lack of increased federal funding to support the growth of the program has impacted the state's ability to increase market rates.

Action taken between January 1, 2001, and June 30, 2003

A new market rate survey was conducted in the fall of 2000 and the results were used to revise the market rates in April 2003. Whenever possible, efforts were made to regionalize rates. Results of this survey resulted in a 1-3% market rate increase for some providers.

In the fall of 2002 another market rate survey was conducted. These results are still being assessed and changes to county and state market rates are expected in coming year. North Carolina does not make annual inflation adjustments.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

As early as 1993 North Carolina was establishing reimbursement rates based upon market rates. Market rates were calculated for each county using facility fee schedules that were collected by the Division of Child Development on a routine basis. Reimbursements were set at the 75th percentile level and were adjusted based upon the percent of children who qualified for subsidy services. Facilities who served large numbers of private paying children could receive a rate higher than the market rate.

In the fall of 2000 North Carolina discontinued the payment plan described above and replaced it with a reimbursement payment system that reflected the quality of the facility as measured by the new "star rated license." 1997 survey results and cost study data were used to establish market rates which came into effect in fiscal year 2000.

6.7 States will implement payments to providers commensurate with the quality-rating level achieved by the early care and education programs.

Action taken between July 1, 2003, and June 30, 2004

There has been no change in North Carolina's policies during this time period. The opportunity to receive a higher subsidy reimbursement rates continues to exist for providers who earn a star rated license of 2-5 stars.

Action taken between January 1, 2001, and June 30, 2003

North Carolina continues to offer a tiered reimbursement system based upon the star rated license of a child care facility.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Legislation effective in July 1996 linked payment rates to the child care facility's level of quality. Higher subsidy reimbursement rates were given to providers who voluntarily met higher licensing standards. In 2000, a tiered reimbursement system was implemented which created market rates to correspond to each of the star rated license levels. Child care providers were paid at the rate charged to private paying parents or the current market rate, whichever was lower.

6.8 States will examine the financing of quality early care and education in their state and work toward providing payment rates that recognize the cost commensurate with the standards set forth in this action plan.

Action taken between July 1, 2003, and June 30, 2004

In June 2004 a report entitled *The Economic Impact on the Child Care Industry in North Carolina* was released. The report was prepared by the National Economic Development and Law Center in consultation with state agencies and early childhood

advocates to bring attention to the fact that the child care industry is a vital part of the state's economic and community development as well as education and workforce development.

Action taken between January 1, 2001, and June 30, 2003

A new initiative was launched by Smart Start's Technical Assistance Center to focus on the financing of early care and education systems. This effort was offered as a pre-conference session at the National Smart Start Conference in January 2003 resulting in a national website, list-server discussion groups, resource materials and the establishment of the NC Finance Task Group. This group will host the first Early Childhood Finance Meeting in September 2003 which will present a forum for researchers, economists, and early childhood education leaders. The purpose of the forum is to discuss the feasibility of a study that links the relationship between investments in early childhood education and the economic benefits.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

There were no organized efforts at the state level to address this issue prior to 2001.

6.9 States will design and aggressively implement outreach initiatives to provide families with easy-to-understand early care and education financial aid information and application assistance.

Action taken between July 1, 2003, and June 30, 2004

The Division of Child Development redesigned its web site which provides information to parents and the public about child care. The redesign included offering a version of the information translated into Spanish. The Division continues to provide brochures regarding the star rated licensing system and subsidy services. Local Smart Start partnerships and child care resource and referral agencies are also active partners in helping to distribute information at the local level.

The Division also created a fact sheet about the subsidy program for all 100 counties which provides county specific data about the number of potentially eligible children, the number currently being served and the benefits of the program for the children, the families and the community. The fact sheets are distributed to county departments of social services to support their local advocacy efforts with a particular goal of providing outreach to the business community.

Action taken between January 1, 2001, and June 30, 2003

In the summer of 2003 the Division of Child Development developed brochures that explain how to access subsidized child care services. These brochures will be distributed to local county departments of social services, local Smart Start partnerships, child care resource and referral agencies, community colleges and other partners who serve children and families. This information will also be distributed at community health fairs and other local activities that serve families. Also, one local Smart Start office funded a program targeted specifically to grandparents who were the primary caregivers of their grandchildren. This program assisted grandparents in accessing all available resources, including subsidized child care services, to assist them.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

When the seamless subsidized child care system was adopted in 1996 a single application was also created. This simplified the process families followed in applying for child care assistance. In addition, when Smart Start Partnerships became active at the county level they provided outreach for families, directing them to local purchasing agencies for child care assistance and providing resource information about subsidy funding.

Goal 7: States will ensure that accountability is built into all systems, programs and activities undertaken to achieve the goals of this action plan.

- 7.1 States will convene appropriate stakeholders to develop written strategic plans for improving the quality of early care and education programs in the state. These plans will include key goals, quantifiable measures of progress and program outcomes for all quality enhancement activities.**

Action taken between July 1, 2003, and June 30, 2004

Ongoing evaluation of aspects of quality early care and education continues in all Smart Start partnerships through the Performance Based Incentive System (PBIS). The Early Childhood Governance Workgroup continues to coordinate efforts between early childhood programs.

Action taken between January 1, 2001, and June 30, 2003

The efforts described above continue. In addition, the Early Childhood Governance Workgroup appointed in 2002 (*More at Four*, Smart Start, Governor's Office, the NC Department of Health and Human Services, the NC Department of Public Instruction, the NC Interagency Coordinating Council, the NC Head Start Collaboration Office, Child Care Services Association and the Frank Porter Graham Child Development Institute) continues to meet regularly to enhance coordination and planning between early childhood programs.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Smart Start implemented a Performance Based Incentive System (PBIS) in 2000-01. The purpose of PBIS is to ensure good results for children and families served by Smart Start. One of Smart Start's PBIS standards is early care and education, which includes measures on the quality of early childhood program standards, teacher education and compensation, and child care availability and affordability. Local Smart Start partnerships will be evaluated on their progress in achieving set goals in these areas.

The NC Division of Child Development meets with stakeholders every two years during the development of the State's Child Care and Development Plan.

7.2 States will collect and analyze data and produce written annual reports on progress toward identified goals. Reports will be made readily available to the public.

Action taken between July 1, 2003, and June 30, 2004

A North Carolina Needs and Resources Assessment was released in SFY 03-04 and includes statewide and county information on early care and education in NC. A copy may be accessed at the following website:

http://www.fpg.unc.edu/~NCNR_Assessment/

Action taken between January 1, 2001, and June 30, 2003

The NC Partnership for Children continues to evaluate progress made by local Smart Start partnerships toward goals measured through PBIS in the areas of early care and education (child care quality, availability, and affordability), family support, and health services. Since 2001, research from the Smart Start evaluation team has confirmed that the star rated license system is a valid measure of quality; that child care quality has increased; and that children are better prepared for school because of Smart Start. NC is currently assessing needs and resources in regards to Smart Start and the *More at Four* pre-kindergarten program. This assessment will include county data on early childhood services delivery, survey results on operating challenges and barriers encountered by *More at Four* programs, and a study of the State's early childhood workforce.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

The Frank Porter Graham Child Development Institute has evaluated the impact of Smart Start since it began. Reports from the evaluation team can be found at <http://www.fpg.unc.edu/%7Esmartstart/reports.html>. Prior to 2001, this research found that children who attended centers very involved in Smart Start quality improvement activities entered kindergarten with better mathematics and language skills and fewer behavior problems.

7.3 States will use data and annual reports to make continuous policy improvements and evaluate quality enhancement activities.

Action taken from July 1, 2003, through June 30, 2004:

The NC Division of Child Development continues to utilize early childhood data and research when planning for policy development or revision, and when evaluating quality enhancement activities.

Action taken between January 1, 2001, and June 30, 2003

The NC Division of Child Development continues to consider available early childhood data and research when making policy improvements or when evaluating quality enhancement activities.

Action taken prior to December 31, 2000 (the Southern Regional Task Force on Child Care Quality Improvement Initiative began January 1, 2001)

Please see above.

¹ NAEYC – National Association for the Education of Young Children

² NAFCC – National Association of Family Child Care

³ APHA – American Public Health Association

⁴ AAP – American Academy of Pediatrics

⁵ American Public Health Association & American Academy of Pediatrics. 2002. *Caring for our children: National health and safety performance – Guidelines for out-of-home child care programs*. Washington, DC: American Public Health Association.