



Implementation of NC Pre-K Presentation to the Joint Legislative Oversight Committee on Health and Human Services

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Update on NC Pre-K

- Transitioned from DPI to DHHS effective July 1, 2011 with reduction of \$32 M
- Initial allocation estimates released in July based on assessment of projected amount of parent co-payments
- After judicial order, revised allocations without projected parent co-payments released in August

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Allocations and Slots

- SFY 10-11: More at Four
 - \$153.8 M
 - 30,787 slots
- SFY 11-12: NC Pre-K with Projected Parent Co-payments
 - \$136.2 M
 - 27,248 slots
- SFY 11-12: NC Pre-K without Projected Parent Co-payments
 - \$123.1 M
 - 24,625 slots
- Same rates paid to contractors as in SFY 10-11 ³

NC Pre-K Contractors

91 Contracts

- 45 Local Smart Start Partnerships (49%)
- 41 Public Schools (45%)
- 4 Head Start (4%)
- 1 Other Non-Profit (1%)

NC Pre-K Sites/Classrooms

1190 Pre-K Sites - as of 10/5/11 (89% data)

- 639 - Public Schools (54%)
- 352 – Private Child Care (29%)
- 199 – Head Start (17%)

2001 Pre-K Classrooms – as of 10/5/11 (89% data)

- 1122 - Public Schools (56%)
- 544 – Private Child Care (27%)
- 335 – Head Start (17%)

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NC Pre-K Children by Eligibility Category

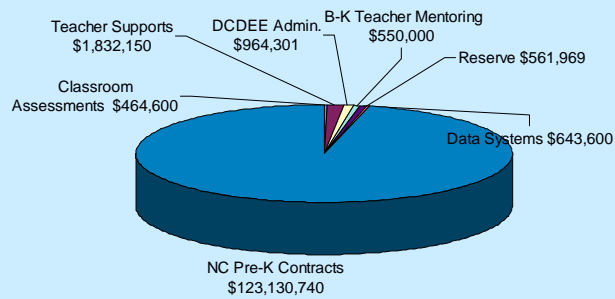
Eligibility Categories - as of 10/4/11 (85% data for 21,184 Pre-K Children)

- 93.8% - Income eligible
- 6.7% - Individualized Education Programs
- 21.7% - Limited English Proficiency
- 6.9% - Chronic health condition
- 24% - Developmental/educational need
- 7% - Military families

Includes some duplication – child may be in
more than one category

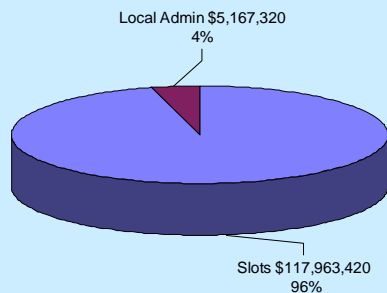
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Breakout of SFY 11-12 NC Pre-K Budget - \$128.1 M



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Breakout of SFY 11-12 NC Pre-K Contracts Budget - \$123.1 M



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NC Pre-K Positions SFY 11-12

- 24 More at Four Positions transferred to DHHS as of 7/1/11; 8 in budget bill
- 13 individuals came to DCDEE
 - 2 transferred directly into DCDEE budget unit
 - 2 accepted permanent DCDEE positions – for teacher licensing
 - 3 accepted Reduction in Force (RIF) as of 9/30/11
 - 6 have RIF status through 10/17/11

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NC Pre-K Positions SFY 11-12

- Total annual amount budgeted for 8 NC Pre-K positions in Budget Bill
 - Salary/fringe = \$660,914
 - 4 are permanently filled
- Total estimated amount to be spent 7/1 through 10/17 on 13 positions
 - Salary/fringe = \$301,162

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NC Pre-K Compared with SFY 10-11

High Quality Program Standards Maintained

- 1:9 staff/child ratios
- Maximum group size 18
- 4 or 5 star license
- Developmental screenings within 90 days
- Required curricula
- Instructional day increased to a minimum of 6.5 hours

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NC Pre-K Compared with SFY 10-11

High Quality Teacher Qualifications Maintained

- All lead teachers must have or be working toward Birth-Kindergarten (B-K) licensure
- All lead teachers must have a BA/BS degree
- All teacher assistants must have or be working toward an Associate Degree
- Very few exceptions allowed
- Same salary scale as used in SFY 10-11

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NC Pre-K Compared with SFY 10-11

Support for Pre-K Teachers Maintained

- Mentoring and evaluation for Pre-K teachers in private settings to obtain Birth-Kindergarten license
- Teacher supports: TEACH, TEACH Health Insurance, WAGES

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NC Pre-K Compared with SFY 10-11

Local Administration Structure Maintained

- Local committee structure, site selection, and eligibility determination maintained
- Flexibility to differentiate rates among sites maintained
- New cap on administrative costs – 4% or \$20,000 - whichever is greater
- New administrative expenditure reporting
- Increased income verification requirements

NC Pre-K Compared with SFY 10-11

Blended Classrooms

- Contractors continue to blend funds across programs with NC Pre-K for diverse service delivery
- Preliminary data show 75% of NC Pre-K classrooms have less than 18 slots
 - Many of these classrooms have remaining slots filled with children in private pay, Head Start, Title I, or Exceptional Children's programs

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NC Pre-K Compared with SFY 10-11

Monitoring

- Local contractors to continue with on-site monitoring
- DCDEE licensing consultants to make on-site visits to NC Pre-K sites as part of current monitoring process
- DCDEE contractor monitoring

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Eligibility and Parent Co-Payments SFY 11-12

Prior Situation

- Eligible if income at or below 75% State Median Income, unless at-risk or military
- 20% at-risk eligible without regard to income
 - Limited English Proficiency
 - Individualized Education Program (IEP)/identified disability
 - Chronic health condition
 - Developmental needs identified via screening
- Income eligible families to be assessed a co-payment

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Eligibility and Parent Co-Payments SFY 11-12

The Current Situation

- At-risk priority based on income or identified disability (Individualized Education Program)
- Services to be provided to all at-risk children without co-pay assessed
- Other eligible children not at-risk: parent co-pay may be assessed
 - Limited English Proficiency
 - Chronic health condition
 - Developmental needs identified via screening
 - Military (but no parent co-pay)

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Collaboration with DPI

- Staffing
- Exceptional Children's services
- Head Start and Title I
- Data systems
- Contract management
- Proposed rules for curriculum and NC Pre-K program requirements

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NC Pre-K Capacity

July Survey of NC Pre-K Contractors

- Capacity to serve children as of:
 - October 1, 2011: A total of 24,757 slots in contract - all expected to be filled
 - January 2012: 6300 more children
 - Estimated SFY 12-13: 20,000 more children
- Number of eligible at-risk children on your waiting list:
 - 13,500 waiting to be served as of July

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Improving Quality of Child Care Updates

- Literacy Curriculum required in 4 & 5 star 4-year old classrooms
- Curriculum must meet key areas of early reading/literacy
 - Alphabet knowledge
 - Concepts about print
 - Oral language
 - Phonological awareness
 - Writing/writing name

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Improving Quality of Child Care Updates

- Child Care Commission role in approving standards
- Eventual implementation of higher subsidized child care rates for 4 & 5 star programs due to curriculum

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Improving Quality of Child Care Updates - Payments

- Subsidized Child Care Payments to non-licensed homes being phased out
- Subsidized Child Care Payments to 3-5 star programs – transition plan being developed

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SEEK Update

- SEEK = Subsidized Early Education for Kids
- New time, attendance, and payment system for subsidized child care
- Phase I underway in 67 counties – for time and attendance
- Phase II in Spring – for payments
- Planning for NC Pre-K payments to be added in SFY 12-13

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