



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Adam Sholar
Legislative Counsel
Director of Government Affairs

March 31, 2014

SENT VIA ELECTRONIC MAIL

The Honorable Justin Burr, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 307A, Legislative Office Building
Raleigh, North Carolina 27603-5925

The Honorable Mark Hollo, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 639, Legislative Office Building
Raleigh, North Carolina 27603-5925

The Honorable Ralph Hise, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 1028, Legislative Building
Raleigh, North Carolina 27603

Dear Senator Hise and Representatives Burr and Hollo:

Section 12B.8 of S.L. 2013-360 requires DCDEE "to study assigning a unique student identifier to monitor, throughout their education, the performance levels of children receiving child care subsidies" and report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division no later than April 1, 2014.

The report shall include the requirements for the following: Establishing the unique identifier; collecting, maintaining, and analyzing data; recommending a solution that will allow for the cost-effective acquisition and maintenance of data from child care facilities; recommending an interface with DPI applications that monitors and analyzes student performance; and estimating the cost for developing an interface and implementing the requirements identified in the study.

Enclosed is the required report. DCDEE staff was able to gather most of the information for this report from an effort that is already underway and will address the development of this unique identifier. This effort, known as the Early Childhood Integrated Data System (ECIDS) project, is funded through North Carolina's Race to the Top-Early Learning Challenge Grant, and in addition to the information requested, information regarding the ECIDS project is also provided in this report.

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: Adams Building/Dix Campus • 101 Blair Drive • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

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Please direct all questions concerning this report to Rob Kindsvatter, Director of the Division of Child Development and Early Education, at 919-527-6530 or Rob.Kindsvatter@dhhs.nc.gov

Sincerely,



Adam Sholar

Cc: Sarah Riser
Kristi Huff
Susan Jacobs
Joyce Jones
Rod Davis
Deborah Landry
reports@ncleg.net

Pat Porter
Brandon Greife
Theresa Matula
Pam Kilpatrick
Rob Kindsvatter
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SENT VIA ELECTRONIC MAIL

The Honorable Jerry Tillman, Co-Chair
Joint Legislative Education
Oversight Committee
North Carolina General Assembly
Room 627, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Linda Johnson, Co-Chair
Joint Legislative Education
Oversight Committee
North Carolina General Assembly
Room 301D, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Bryan Holloway, Co-Chair
Joint Legislative Education
Oversight Committee
North Carolina General Assembly
Room 305, Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Tillman and Representatives Holloway and Johnson:

Section 12B.8 of S.L. 2013-360 requires DCDEE "to study assigning a unique student identifier to monitor, throughout their education, the performance levels of children receiving child care subsidies" and report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division no later than April 1, 2014.

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Sincerely,

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Adam Sholar

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SENT VIA ELECTRONIC MAIL

Mr. Mark Trogon, Director
Fiscal Research Division
North Carolina General Assembly
Room 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Trogon:


Section 12B.8 of S.L. 2013-360 requires DCDEE "to study assigning a unique student identifier to monitor, throughout their education, the performance levels of children receiving child care subsidies" and report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division no later than April 1, 2014.

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March 31, 2014

SENT VIA ELECTRONIC MAIL

The Honorable Andrew Brock, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
North Carolina General Assembly
Room 521, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Jason Saine, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
North Carolina General Assembly
Room 402, Legislative Office Building
Raleigh, NC 27602-5925

Dear Senator Brock and Representative Saine:

Section 12B.8 of S.L. 2013-360 requires DCDEE "to study assigning a unique student identifier to monitor, throughout their education, the performance levels of children receiving child care subsidies" and report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division no later than April 1, 2014.

The report shall include the requirements for the following: Establishing the unique identifier; collecting, maintaining, and analyzing data; recommending a solution that will allow for the cost-effective acquisition and maintenance of data from child care facilities; recommending an interface with DPI applications that monitors and analyzes student performance; and estimating the cost for developing an interface and implementing the requirements identified in the study.

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Study Use of Unique Identifier/Child Care Subsidy

Session Law 2013-360, Section 12B.8. provides:

SECTION 12B.8.(a) In coordination with the Department of Public Instruction (DPI), the Department of Health and Human Services, Division of Child Development and Early Education (DCDEE), shall study assigning a unique student identifier to monitor, throughout their education, the performance levels of children receiving child care subsidies. The study shall be designed to provide data on the efficacy of child care facilities participating in the child care subsidy program or the North Carolina Partnership for Children, Inc. The study shall define the requirements for the following:

- (1) Establishing the unique identifier.
- (2) Collecting, maintaining, and analyzing data.
- (3) Recommending a solution that will allow for the cost-effective acquisition and maintenance of data from child care facilities.
- (4) Recommending an interface with DPI applications that monitors and analyzes student performance.
- (5) Estimating the cost for developing an interface and implementing the requirements identified in the study.

SECTION 12B.8.(b) DCDEE shall report the results of the study to the Joint Legislative Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Information Technology, and the Fiscal Research Division no later than April 1, 2014.

In response to this study, DCDEE staff was able to gather most of the information for this report from an effort that is already underway and will address the development of this unique identifier. This effort, known as the Early Childhood Integrated Data System (ECIDS) project, is funded through North Carolina's Race to the Top-Early Learning Challenge Grant. ECIDS will be an integrated system of early childhood education, health, and social service information focused on children ages 0-5 receiving state and federal services. A description of the ECIDS project is attached. Because the scope of ECIDS includes children receiving subsidized child care services, this report references how ECIDS can address the items in the study.

Following are the report data as required by items 1 through 5 in SECTION 12B.8.(a) of Session Law 2013-360.

- (1) **Establishing the unique identifier:** As referenced above, a unique identifier will be established through the ECIDS project. Participating agencies include DCDEE, DPI, the Division of Public Health, the Division of Social Services, and the NC Partnership for Children (Smart Start). The NC Office of Information Technology Services (ITS) is responsible for the technical development of ECIDS. The Subsidized Child Care (SCC) program is one of the programs that will be included, and therefore, children receiving subsidized child care will be assigned a unique identifier as established through ECIDS.

- (2) **Collecting, maintaining, and analyzing data:** The eScholar technology currently being used for the unique identifier (UID) creation for all NC public school students will be expanded to include children from birth to kindergarten receiving services from the key participating agencies listed in (1) above. An ECIDS Governance Council will set policy for the system and oversee the data sharing procedures, roles, and responsibilities of the participating agencies. Standard reports will be produced on a regular basis (e.g., annually or quarterly) using aggregate statewide data. These reports will be posted on the ECIDS portal and available to the public. Query reports can be produced by a user when requested that contains aggregate data from standard reports that are broken down by selected variables (e.g., by race, by county, or by age of child). Finally, sponsored researchers will be able to submit proposals for specific data elements and once approved, be able to obtain the data for research purposes.

By integrating early childhood data from participating agencies, the goal will be to obtain an unduplicated count of children receiving services and better inform policymakers and researchers. Three critical questions are used as a framework for ECIDS:

- How many and which NC children and families (especially children with high needs) are participating in early childhood programs and receiving services?
- What is the quality of early childhood programs? Is the quality improving over time?
- What are the characteristics of the early care and education workforce in NC and how prepared are they to provide effective education and care for all children?

There will also be an opportunity to coordinate information between the ECIDS project and the Longitudinal Data System Board required by S.L. 2013-80 (House Bill 591). The purpose of the Board is to oversee the NC Longitudinal Data System – which will eventually link individual-level student data to workforce data so that data about student performance can be used to guide education policies.

- (3) **Recommending a solution that will allow for the cost-effective acquisition and maintenance of data from child care facilities:** By participating in the SCC program (or other state or federally funded participating program), data on children served by child care facilities can be integrated into ECIDS.
- (4) **Recommending an interface with DPI applications that monitors and analyzes student performance:** ECIDS will link to DPI's CEDARS (Common Education Data Analysis and Reporting System), composed of various DPI data collection systems. CEDARS has an established UID for students and staff. The CEDARS Data Warehouse and Reporting System contains DPI source data in a centralized data repository that is used for reporting and analysis. ECIDS will also link to DPI's "P-20W" (Pre-K to age 20/workforce) longitudinal data system. The P-20W system includes statewide Early Learning, K-12, Higher Education, and Workforce data. These connections will allow for the examination of the effects of early childhood programs and services over time.
- (5) **Estimating the cost for developing an interface and implementing the requirements identified in the study:** The one-time cost to develop ECIDS, including necessary data system upgrades and implementing the unique identifier, is budgeted at \$8.8 million over four years and is covered by

NC's Race to the Top-Early Learning Challenge Grant (January 2012 through December 2015). The four-year costs are budgeted by the following categories.

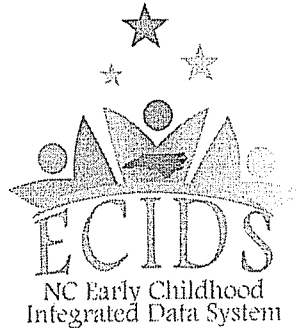
Project Management:	\$335,738
NC Office of Information Technology Services:	\$2,193,496
IT Services, Software and Training:	\$2,052,267
ECIDS Personnel for Participating State Agencies:	\$1,368,865
Smart Start Local Partnership Capacity Building Initiative:	\$1,279,549
E-Scholar Licenses for UID:	\$235,000
Modifications to Existing Systems:	\$500,000
Child Care Workforce Data System (DCDEE):	\$750,000
Consultant Services:	\$150,000
Travel, equipment, supplies	\$23,000
Other operating:	<u>\$6,436</u>
Total	\$8,894,351

The data system development and upgrades for the NC Partnership for Children and DCDEE are projects budgeted in addition to ECIDS. These projects will result in better data provided to the ECIDS project.

The cost to maintain the system after the grant expires is estimated to be between \$700,000 to \$900,000 annually, which includes ITS server hosting, software maintenance and additional development, ITS technical staffing and business operations staffing.

Representatives from the participating agencies have already worked together with ITS staff to plan for building this system. The ECIDS project will be completed by December 2015. ECIDS will meet the need of developing a unique identifier for children receiving subsidized child care, and will help inform policies across several early childhood programs that will ultimately support better outcomes for children and families.

The North Carolina Early Childhood Integrated Data System (ECIDS)



Mission:

To develop and sustain a high quality integrated early childhood data system in North Carolina to inform policies and practices that ultimately support better outcomes for children and families.

Purpose:

To integrate early childhood data from key participating agencies to be able to better inform policies and practices in North Carolina. ECIDS is an integrated system of early childhood education, health, and social service information.

Goals:

1. Provide state agencies, policymakers, and the general public with unduplicated counts of where children are being served.
2. Provide policymakers and researchers with information about current programs and services to better address areas of need and effective practice within systems.
3. Integrate with P-20W system, allowing for the examination of effects of early childhood programs and services over time.

Participants:

- NC Division of Child Development and Early Education (DCDEE)
- NC Department of Public Instruction (DPI)
- NC Division of Public Health (DPH)
- NC Division of Social Services (DSS)
- Smart Start & The North Carolina Partnership for Children (NCPC)