



EACH CHILD. EVERY COMMUNITY.

*Annual Report to
The North Carolina General Assembly
for Fiscal Year 2020-2021*

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Introduction

Dear Members of the North Carolina General Assembly:

It is my pleasure to provide the 2020- 2021 Annual Report of The North Carolina Partnership for Children and Smart Start, in response to G.S. 143B-168.12(d).

Much of our story this year was framed by the continuing impact of the COVID-19 pandemic in North Carolina's communities. The pandemic changed how our youngest children grew and learned. Safety restrictions limited access to early learning environments, impacted social-emotional development, and transformed many of their earliest experiences. For families, the pandemic meant added stress – from changing schedules and isolation to economic uncertainty and health fears. For child care providers and professionals, the immense business pressures took a toll that threatened the industry across the country.

For The North Carolina Partnership for Children (NCPC) and the Smart Start network, these challenges brought new urgency to our work. In our communities, we saw firsthand families struggling, children needing services, and child care centers closing. Our local partnerships responded and found new ways to serve children and families with technology, creative thinking, and community relationships. The Smart Start network leveraged federal CARES Act funds to support family child care homes and small child care centers, train parents and caregivers to respond to young children's stress, and keep families connected to services through tablets and internet hotspots.

As our state continues to re-open safely, the Smart Start network has taken the lessons of the pandemic and focused on our communities' needs with renewed energy and commitment. In doing so, we are focused as a network on re-examining and addressing the policies and practices rooted in racism that have limited opportunities for too many North Carolina children. We are continuing to build the quality of child care to support children's learning while their parents are working. Parents are their children's first teachers, and we are giving them the tools to feel confident and supported in that role. We are helping children gain early literacy skills that support long-term learning and success. With our partners across the state, we are developing new strategies to support the education, compensation, and sustainability of the early care and education workforce. NCPC and many of our local partnerships are leading efforts to build resilience and systems to ensure children grow safe and healthy.

With new state and federal opportunities on the horizon, the strength and vitality of the 75 local partnerships of the Smart Start network remain a key asset for extending early childhood programs and services to communities across the state. The North Carolina Partnership for Children and the Smart Start network are deeply grateful for the General Assembly's continued support in building outstanding programs for North Carolina's young children. Within this annual report, you will find the stories of Smart Start's impact, reaching each child in every community.

Sincerely,



Amy Stephens Cabbage, President, The North Carolina Partnership for Children/Smart Start

The Smart Start Network

Smart Start is a network of 75 nonprofit local partnerships serving all 100 North Carolina counties. This network is led by The North Carolina Partnership for Children (NCPC), which ensures fiscal and programmatic accountability and coordinates a statewide network to create better outcomes for children and families.

Children are born ready to learn but may not have access to the experiences or environments that foster healthy brain development, such as engaged child-parent interaction, quality child care, and excellent health care. When we provide communities, early childhood professionals, and families with the tools and resources they need, we ensure quality early childhood learning opportunities and healthy brain development.

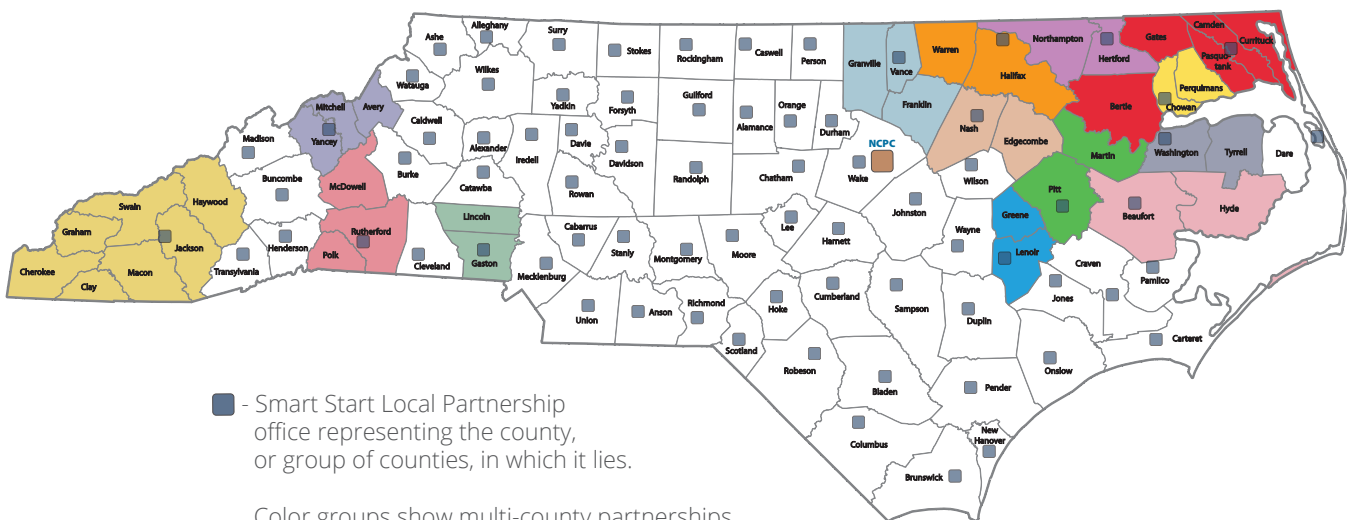
Smart Start brings communities together — parents, early learning and health professionals, educators, business leaders, and elected officials—to coordinate services

and address service gaps based on data.

Smart Start also provides the tools and resources communities need to fully engage young children in learning opportunities, so they can grow to be healthy, productive, and well-rounded students, parents, workers, and leaders.

This structure establishes a system for statewide governance and innovation with local inspiration that works in communities across our state.

Serving children from birth through 5, Smart Start works across the state to raise the quality of child care, strengthen families, improve child health and development, and support early literacy. The network implements other state, federal, local, and private programs and services, such as NC Pre-K, child care subsidy, and Head Start, serving as North Carolina's system for early childhood health, development, and learning.



How It Works

At the state level, NCPC supports data-driven results and accountability for the entire network, ensuring state investments are producing strong outcomes for children and families. NCPC provides local partnerships with evidence on program outcomes to support informed budget choices that produce results for communities. In addition, continuous fiscal and quality monitoring ensures effectiveness and promotes innovation. These activities include:

- Training local partnership board members and staff on fiduciary oversight, protecting accountability in financial processes from budget oversight through contract management
- Monitoring local partnerships to ensure compliance with state and federal laws, legislative mandates, and state policies
- Supporting centralized accounting and contracting that promote efficiency
- Guiding local partnerships in selection and implementation of evidence-based, evidence-informed programs to achieve the best outcomes for children
- Assessing community assets and needs to determine how best to invest Smart Start funds to impact child well-being
- Reviewing programs at the local level to ensure services target and address unique community needs
- Facilitating the sharing of resources, innovative ideas, and solutions across the Smart Start network so that individual counties benefit from collective knowledge
- Maintaining a centralized portal for collection of programmatic data including children served and outcomes for each activity
- Providing county-level measures of child well-being collected from state agencies to inform community planning

Smart Start's local partnerships have the flexibility and the data to determine how to improve the health, well-being, and development of children based on the needs and resources of their local communities. Local partnerships support the needs of children and families using a combination of state, federal, local, and private funds to provide comprehensive services and programs that support and strengthen early development by:

- Ensuring child care is high quality, child-focused, and family-friendly
- Providing financial assistance to help families access high quality early education
- Supporting the local infrastructure of NC Pre-K with financial resources and training
- Advancing child health and development through partnerships with child care centers and medical practices
- Supporting families with programs that improve parenting skills and encourage family engagement in children's development and education
- Promoting early literacy with programs that assist parents, child care centers, and medical providers
- Ensuring sustainable implementation of evidence-based early childhood services
- Working with community organizations to improve coordination and alignment of services for children and families

With statewide governance and local data-driven decision-making, the Smart Start network acts as an effective and efficient planning and delivery mechanism for North Carolina's early childhood system. The network not only provides programs and services to families and children but also supports shared learning and innovation, allows for flexibility, and leverages other public and private dollars, making North Carolina a leader in early childhood care and education.

Funding

Smart Start is a national model of a successful public-private partnership. The public funding creates an early childhood system and infrastructure that allows private dollars to flow to communities quickly and efficiently, delivering significant impact to children and families. By investing in collaboration and collective impact initiatives across the network, Smart Start builds local community capacity to leverage existing resources. In the 2020-2021 fiscal year, local partnership expenditures of state Smart Start funds totaled \$140.91 million, and NCPC expended \$5.54 million. NCPC's spending included \$1.76 million in local partnership funds managed by NCPC to meet legislative requirements, including the fiscal accountability system and local partnership audits, and to help local partnerships build capacity. The remaining \$3.77 million was used by NCPC to ensure that Smart Start met all legislatively mandated requirements and operated to the highest standards of fiscal and programmatic integrity. NCPC provides leadership in best practices

and evidence-based, evidence-informed services, as well as nonprofit management and fund development.

With the highest standards of accountability, North Carolina's early childhood system efficiently moves resources to serve children. Despite the changes in the operations of local partnerships and early childhood programs due to the COVID-19 pandemic, NCPC and the 75 independent local partnerships effectively budgeted resources, reverting only 5.71% of 2020-2021 Smart Start funds.

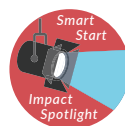
Because Smart Start provides the infrastructure in each local community to deliver results, federal, local, and private funders have invested millions of dollars in North Carolina's early childhood system. In the 2020-2021 fiscal year, NCPC and Smart Start local partnerships leveraged an additional \$48 million for the state's young children, including \$38.4 million in cash and \$9.5 million from in-kind contributions.

See Charts and Tables on page 21

Raising the Quality of Early Care and Education

Smart Start remains committed to increasing the quality of early care and education across the state. The goal is to promote high quality early care that is child-focused and family-friendly. In North Carolina, licensed child care facilities have star ratings between 1 and 5 stars, with 5 stars being the highest. Smart Start supports initiatives that improve or maintain the high quality (4-5 stars) of child care centers, ensure access to high quality centers for children, and help child care providers by offering professional development and technical assistance.

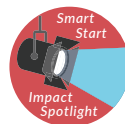
high quality child care. Smart Start local partnerships helped child care providers access needed supplies and stay up-to-date on the latest health and safety regulations. The network also provided support for child care providers seeking financial assistance.



The Hoke County Partnership for Children and Families

implemented a long-term educational support program targeting lower star rated facilities.

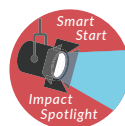
Teachers enrolled in the Teacher Education Assistance For College And Higher Education (T.E.A.C.H.) program and started education courses through the local community college. As a result of this initiative, 50% of participating teachers are on track to earn a degree by May 2022 and additional child care centers are working towards a higher star rating.



Craven Smart Start recognized a need for a virtual e-learning platform for child care providers.

The new platform provides live

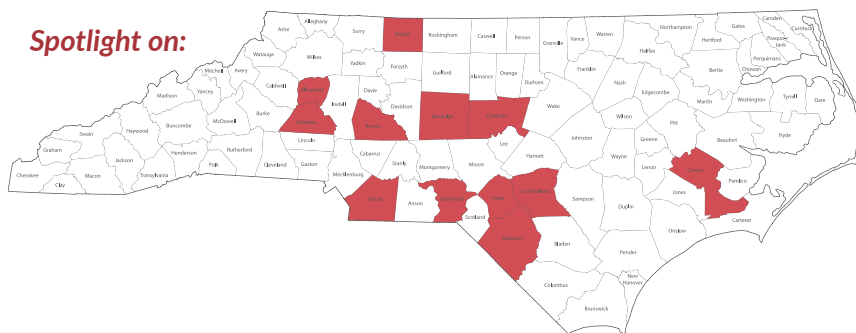
technical assistance and resources to child care teachers and directors throughout the county, providing an opportunity for continuing education while supporting the development of early childhood education.



Chatham County Partnership for Children pivoted towards a Practice-Based Coaching model of providing Technical Assistance.

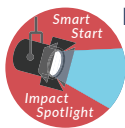
This model can allow for more collaborative partnerships between coaches and teachers, more trusting relationships, and shared expectations. Technical Assistants (TAs) were also able to use newly purchased tablets, microphones, and other technology to connect virtually with teachers. Together, the TAs and child care staff continued to support children and family in Chatham throughout the pandemic.

Spotlight on:



During the pandemic, the Division of Child Development and Early Education paused assessments for star ratings due to safety concerns. As a result, data reflecting the quality of child care for the 2020-2021 fiscal year are largely steady from the previous year. In fact, the average star rating for children enrolled in regulated early child care and education programs has improved from 2.76 in 2001 to 4.31 in 2021. The percentage of children in 4- and 5-star programs has increased from 33% in 2001 to 72% in 2021, while the percentage of children in 1- and 2-star programs has decreased from 46% in 2001 to only 4% in 2021.

Despite the State's changes and the challenges of the pandemic, the Smart Start network found innovative ways to continue to support child care providers and maintain



Robeson County Partnership

for Children's Ready Set Go provides valuable coaching to teachers and directors to address behavior challenges for children.

Through coaching, teachers learn about the importance of relationship building and are better prepared to serve children.

Ensuring Community Support for Child Care

Smart Start works to create a strong foundation for programs and services to achieve successful outcomes, retain educated and qualified teachers, promote physical health and activity, and engage parents. NCPC works with statewide partners to ensure the latest research and effective



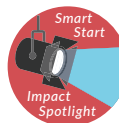
"NC Pre-K has benefited our family by providing a great learning atmosphere for our daughter. We have noticed that she has not only grown educationally but also socially. My husband and I have more confidence that she will be ready for kindergarten next year!"

— Alexander County Parent

programs are applied across the state, while local partnerships work directly with child care centers. Smart Start works directly with child care centers in each county to understand the greatest needs for quality enhancements, including environmental ratings, teacher education and skill-building, and health and nutrition.

Smart Start also works to bring together communities to support child care needs in their area. This means not only working with individual child care centers but also supporting funding that comes into local communities to support child care needs, ensuring positive transitions for children from child care to kindergarten, and helping centers

raise awareness within their communities about how critical child care is to economic development.



During the pandemic, **Union**

County's local partnership, **Alliance for Children**, served the child care community with the

help and generosity of Board members, churches, community providers, volunteers, and staff. Masks, thermometers, cleaning supplies, children's clothing, diapers, and food were distributed. All child care homes and centers received goodie baskets. In addition, about 700 of 900 Child Care community workers were able to be vaccinated in a two-day event organized with the help of Alliance for Children.



In Randolph County, 94% of centers and homes stayed open throughout the pandemic. Each month, the **Randolph County**

Partnership for Children celebrated

child care professionals with signs, supplies, and other resources.

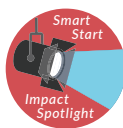
Infrastructure Support for NC Pre-K

The NC Pre-K Program is designed to provide high-quality educational experiences to enhance school readiness for eligible 4-year-olds. Funding for NC Pre-K is a blend of federal, state, and local funds, including funding from Smart Start. Across the state, Smart Start local partnerships help provide the infrastructure that supports NC Pre-K.

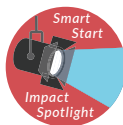
Smart Start partners with NC Pre-K providers to help eligible 4-year-olds access the program. Partnerships also co-chair the NC Pre-K Committees in all counties, administer the NC Pre-K program in 55 counties through separate contracts with the Division

of Child Development and Early Education, and provide an additional \$8.3 million in funding for NC Pre-K classroom support. This collaboration and funding across the state helps to ensure high quality services and increase access for children.

Because there is local flexibility in how NC Pre-K is administered, Smart Start can support the program in ways that best meet the needs of families and school systems.



In Rowan County, **Rowan Smart Start** conducted its first ever virtual Pre-K teacher orientation and brought together 70 NC Pre-K Lead Teachers, Assistant Teachers, and Administrators for program review, policy updates, and Q&A. Surveys showed 89% of participants felt confident in their ability to teach NC Pre-K during the COVID-19 pandemic.



The Catawba County Partnership for Children focused on helping NC Pre-K teachers start conversations with their students about equity. All of the county's NC Pre-K

teachers participated in the locally-developed "Imagining Equity" training series, which focused on a carefully curated set of children's books to teach children – and teachers – about equity.

A Value-Add to Subsidy Funds – Supporting Both Children and Parents

Child care subsidies provide financial assistance to help children and families access high quality child care. Subsidy funds ensure that parents can enter or remain in the workforce, gain skills, work through times of crisis, and address special needs in their children.

For years, Smart Start subsidy funds have been used to increase the quality of early child care and education in the state. Many Smart Start local partnerships manage subsidy funds within their communities to boost quality and promote access for children who are at the highest risk. NCPC supports subsidy innovation by sharing successes and best practices across the network.

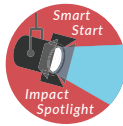


"I am a single mother trying to raise and care for my child, and it can be really hard to find good childcare, have extra support, and, most importantly, provide funds for my child's care. I came across Parents for Higher Education my first year in school, and I must truly say that I am grateful for this program. PFHE has helped me out a lot with childcare expenses and made it easier for me to manage my finances as well. It has made it easier for me to keep her at a childcare facility that is closer to home and my school. I also love how the program provides help with school, social needs, self-care, childcare needs, and even a chance to sign up for the Dolly Parton Library books through the Partnership for Children.

Once again, I am very thankful for the opportunity to be a part of PFHE and will hope to continue on until graduation"

— Partnership for Children of Cumberland County, Parent receiving Subsidy





The Partnership for Children of Cumberland County supported

a mother who had lost her job due to the pandemic, causing

family stress and strain. Ultimately, the family experienced domestic violence, and the mother left the home with her children. Through a community referral to the local partnership, she was able to receive assistance to pay for child care. The support allowed her to secure employment and begin her journey towards new housing. With the assistance provided by the child care assistance program, she has been able to begin her healing process and secure a stable living environment.

Supporting the Early Care & Education Workforce

The pandemic shone a bright light on the workforce challenges that the early care and education field has faced for years. Early educators continued to work during COVID-19, ensuring essential workers could stay on the job and providing children a safe place to learn and grow.



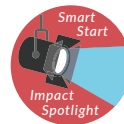
“The Smart Start WAGE\$ Program is important to me. Receiving the supplement payments helps me be a better provider for my son. It also helps me stay in my current position. I plan on eventually going back to school to pursue a bachelor’s degree in education. Participation in the WAGE\$ program can help me to achieve this goal”

— Richmond County Partnership for Children, Parent and WAGE\$ Recipient

Unfortunately, many of those same professionals receive wages that are not nearly enough to make ends meet. North Carolina child care teachers make an average of \$12 per hour. Many child care professionals do not have access to health insurance or other benefits, and child care teachers are seven times more likely to live in poverty than public

school teachers. In the wake of the pandemic, this workforce crisis has become acute, as child care centers struggle to find and retain qualified teachers.

The Smart Start network support the early care and education workforce through statewide programs and innovative approaches developed by local partnerships in their own communities. In partnership with the Child Care Services Association, Smart Start implements the WAGE\$ program, which provides education-based supplements to teachers across the state. In the 2020-2021 fiscal year, 3,510 teachers in 58 counties received WAGE\$ supplements thanks to Smart Start. Smart Start Local partnerships also provide scholarships to support teachers’ education and professional development and others share costs with child care providers to offer health insurance and other benefits.



In Stokes County, **Stokes**

Partnership for Children funds the Workforce Innovation to Support Early Education (WISEE) program. WISEE provides financial

incentives, paid work based learning, enhanced professional development and support for students with a goal to increase the workforce of higher educated early childhood professionals through the use of college credits. The local partnership also pays for an instructor who teaches early childhood college level courses through Forsyth Tech Community College. These partnerships increase the quality of the workforce in Stokes County.

See Charts and Tables on page 22

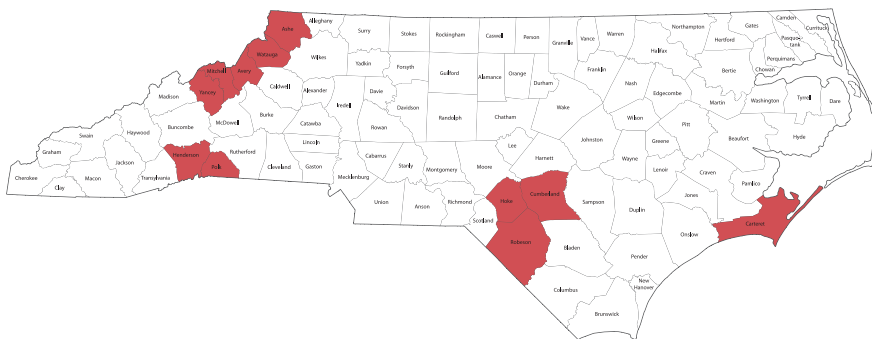
Supporting North Carolina Families

Recent research has proven the tremendous long-term benefits of family support, parenting education, and home visiting programs. Studies of these programs have highlighted improved maternal and child health, increased maternal employment, and improved school readiness. Research has also produced new insights on the importance of parent-child interaction, managing behavior, and preparing children to enter school healthy and ready to succeed. With only about a quarter of North Carolina's children under 5 in licensed child care, providing parents and

involvement and leadership. NCPC supports these programs by evaluating the evidence around parent strengthening and engagement programs and providing technical assistance to implement them effectively. Parenting education programs give parents tools to increase their knowledge of early childhood development and positive parenting practices.

Early childhood home visiting programs provide unique support to help new parents and parents-to-be with access to education, information, and resources. For every dollar invested in home visiting, as much as \$5.70 is saved in long-term costs. Home visiting programs improve prenatal health and birth outcomes as well as child health outcomes by increasing immunization rates and by decreasing emergency visits and rates of abuse and neglect. NCPC plays a leading role in North Carolina's Home Visiting and Parenting Education System Collaborative, which aims to build a coordinated system to provide all families of young children access to a range of parenting education supports.

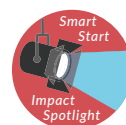
Spotlight on:



caregivers with the tools to help their children develop and learn is important for future success.

Increased stress on families and children during the COVID-19 pandemic has made support for families more important than ever. Health concerns, economic uncertainty, and shifting child care options have combined to push families with young children to their limits. Parent and caregiver stress has cascaded down to young children in ways science shows can be toxic in the short- and long-term, threatening their long-term well-being and development.

Smart Start offers family-focused programs that improve parenting and promote parent



Better Beginnings, a home-based therapy program developed by and operated out of the **Carteret Partnership for Children**, works to

prevent child abuse and neglect for young children. Due to the effects of the pandemic as well as the aftermath of multiple hurricanes, the program is critical in Carteret County. The home visiting program focuses on early childhood behavior characteristics such as repeated aggression, environmental conditions such as poverty and mental illness, and experiential risk factors such as caregiver absence.



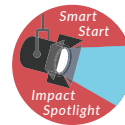
The Blue Ridge Partnership for Children has convened community service agencies across Avery, Mitchell, and Yancey Counties

to create a regional approach to providing parenting education. The Cooperative Extension in each county serves as the central point of contact for families through a parenting education portal on their website that offers a full continuum of opportunities available locally. The collaborative reduces barriers to participation and provides needed supports for families. Together, the community organizations recognize that to become economically stable, citizens must have emotional intelligence and parents and caregivers must have the necessary tools to promote healthy development, prevent trauma, and intervene early when there are concerns.



An innovative partnership of Smart Start and Family Connects International, a universal nurse home visiting program, will serve nearly 10,000 North Carolina families over three years. Pilot sites led by Smart Start local partnerships will provide families of newborns in **Watauga, Ashe, Avery, Henderson, Polk, Cumberland, Hoke and Robeson** counties

access to comprehensive support to ensure children receive the care and nurturing needed for healthy development. Funded by the federal Preschool Development Grant, the new sites will combine Family Connects' universal home visiting model with the community assets and local services coordinated by the Smart Start network. This partnership focuses particular attention on serving rural communities, where accessing health resources can be challenging.



Led by the **Children's Council of Watauga County**, the **Smart Start Partnership for Children**, and the **Partnership for Children of Cumberland County**, these pilots

represent a powerful step toward ensuring every family in the state has access to the services and supports they need to thrive.

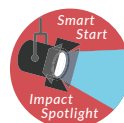
See Data and Tables on page 24

Promoting Early Literacy

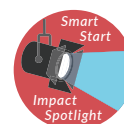
Recognizing that a majority of language development occurs in the first few years of life, Smart Start provides programs that develop early literacy skills needed for success in school, work, and life. Smart Start brings proven national programs to the children and families of North Carolina, including Reach Out and Read and Dolly Parton's Imagination Library (DPIL).

In 2017, the General Assembly allocated funding to NCPCL to increase access to DPIL, an early literacy program that mails age-appropriate books monthly to registered

The investment in DPIL was even more important during the COVID-19 pandemic. Among participating North Carolina families in the 2020-2021 fiscal year, 25% said they could not buy books without DPIL, and 23% said COVID-19 had an impact on their reading habits or access to books.

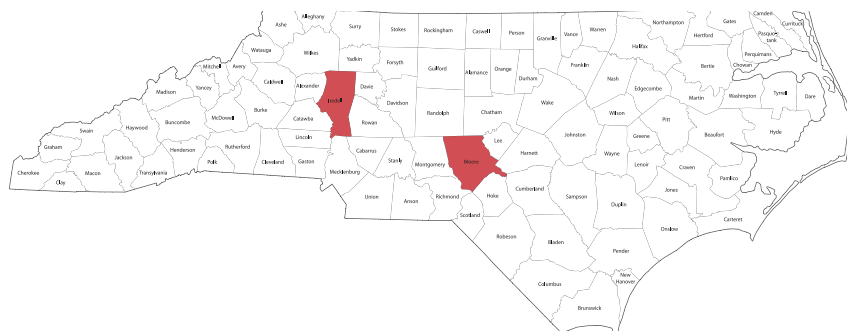


Iredell County Partnership for Young Children launched a new literacy outreach project, Loads of Literacy, which works within local laundromats to provide books, promote literacy tips, and register families for Dolly Parton Imagination Library. The program is working to shrink the literacy gap in Iredell by providing access to books wherever there are families.



In Moore County, Partners for Children & Families united families and community partners through Growing Moore Readers (GMR), the county's Campaign for Grade Level Reading collaborative. Over the summer, 11 partnering agencies established 20 pop-up outdoor reading stations for young children throughout the county. Together, the organizations offered books and provided early literacy programmatic resources to more than 2,000 children.

Spotlight on:



children. The General Assembly's investment leveraged Smart Start's community roots and resulted in rapid expansion of the program. In less than two years, every child under the age of 5 in North Carolina had access to DPIL, and by June 30, 2021, the Smart Start network had distributed more than 8.6 million books to North Carolina children.

"My boys and I have always been excited when a new books come in the mail....So many of these stories have sparked countless hours of quality time, conversation, laughter, and have touched our hearts. They have helped my boys to develop interests in different hobbies, languages, perspectives, social and emotional understanding. I am very grateful to Dolly Parton for her compassion and her sharing the gift of reading, as well as her virtual story times during the pandemic!!"

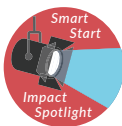
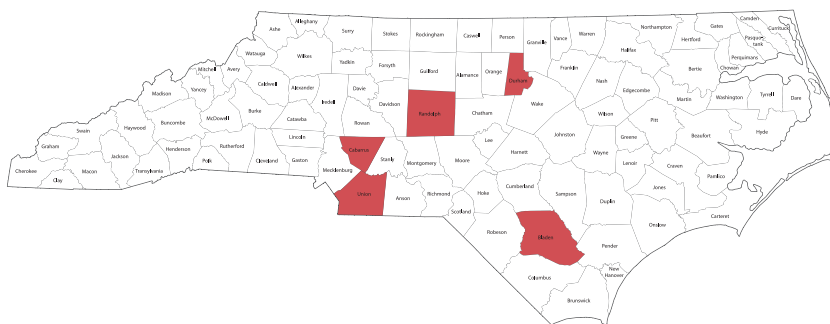
— Response from the DPIL Parent Survey

See Data and Tables on page 25

Advancing Child Health and Nutrition

Early childhood health is critical to ensuring children grow into healthy adults. Smart Start works within communities to ensure children have the tools and resources they need to establish healthy behavior patterns. Local partnerships work with medical providers, health departments, families, communities, and other organizations to improve the health and safety of young children, prevent childhood obesity, and ensure more children are screened for developmental delays and referred to services for help long before they start school.

Spotlight on:



Durham's Partnership for Children

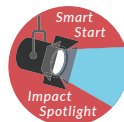
works with state and local partners, including Early Head Start, NC Pre-K, Durham PreK, and child care sites, to focus on early childhood health and nutrition. Organizations come together to highlight providers implementing Farm to Early Care and Education, learn from community partners, and share resources. Partners supported cooking education, connected providers to the local food system, and learned successful strategies from community organizations. Together, they address immediate food security needs and analyze root causes leading to inequitable food access in Durham County.

Teaching Healthy Habits Early

One significant example of Smart Start's impact is through Shape NC: Healthy Starts. For a decade, Shape NC coordinated evidence-driven programs and promoted healthy practices in child care centers, cultivating healthy family behaviors for children at risk of or in poverty. Shape NC served more than 13,000 children in 27 counties in nine years, supporting child health behaviors that will lead to lifelong benefits.

Participating child care centers transformed existing traditional playgrounds into outdoor naturalized play and learning environments that offer diverse opportunities for increased physical activity and nutrition education. Those outdoor learning environments were even more important to centers during the pandemic, providing safe spaces for children to play and learn.

NCPC will leverage the knowledge and experience from Shape NC to provide additional coaching and technical assistance in a program called Beyond Shape: Coaching for Technical Assistants. In the first phase of this work, NCPC will collaborate with Child Care Health Consultants (CCHCs) to strengthen health practices, environments, and practices for young children.

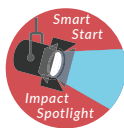


Randolph Partnership for Children

created a Family Coalition as part of Shape NC. The Coalition created a space for caregivers to gain valuable knowledge about healthy eating. A majority of the family members were served in their native languages. Together, all parents were able to learn more about food, practice healthy serving methods, and participate in the family style dining model. Over time the families changed their lifestyles—increasing their physical activity, reducing screen time, and preparing meals together.

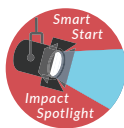
Keeping Child Care Safe & Healthy

In addition to supporting Shape NC, Child Care Health Consultants play an important role in ensuring the health and development of young children. CCHCs are trained health professionals who work with child care programs to assess, plan, implement, and evaluate strategies to achieve high quality, safe and healthy child care environments. NCPC and the Smart Start network have worked with partners to expand access to CCHCs to every county in the state. Through the work of Smart Start, the North Carolina Child Care Health and Safety Resource Center, and other partners, 45 new counties now have access to CCHCs, bringing the total counties covered to 87. Although in-person visits by CCHCs to child care programs were limited during the pandemic, they continued to provide critical advice and support to child care providers.



In **Union County**, Child Care Health Consultants (CCHCs) are a valuable resource for the child care community, linking

child care providers with the local health department. The Smart Start local partnership, **Alliance for Children** partnered with CCHCs to organize a vaccine clinic for more than 700 child care personnel.



Cabarrus County Partnership for Children helped coordinate weekly meetings of local Child Care Health Consultants with

licensing consultants, COVID Emergency Management Staff, hospitals, and DHHS to share early childhood education and health news with child care providers during the pandemic. These relationships remain strong, as child care directors rely on this critical information to support children and families.

Supporting Healthy & Resilient Communities

Research shows that early childhood experiences have a strong influence on brain development, laying the foundation for children's futures. Adverse experiences can dramatically hinder children's social-emotional health and impact all aspects of health (physical, mental, and emotional) over their lifetime. A growing body of evidence shows that Adverse Childhood Experiences (ACEs), negative social drivers of health, and other forms of trauma and adversity pose significant risks to the health and well-being of young children as they grow and develop into adults.



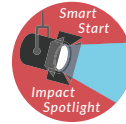
NCPC is committed to increasing resilience across the state, serving as the backbone agency of the **NC Healthy and Resilient**

Communities Initiative. Leveraging

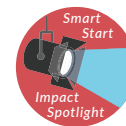
Smart Start's deep roots in local communities, this initiative brings together more than 40 community collaboratives to reduce multiple forms of childhood adversity, increase protective factors and positive childhood experiences for children, and promote systems change in communities through community infrastructure and cross-sector collaborations. As part of the first phase of this work NCPC created a landscape analysis, addressing adverse childhood experiences (ACEs). By supporting local collaboratives in this work, the Smart Start network is fostering community champions to create a more resilient state.

In addition, many Smart Start local partnerships are leaders in their communities in educating, training, and organizing to prevent ACEs and ensure both young children and their communities are resilient.

With the support of the N.C. Division of Public Health, NCPC released *Building Healthy & Resilient Communities Across North Carolina: One Community at a Time*, a landscape analysis supporting local coalitions and collaboratives working to address adverse childhood experiences (ACEs) and build resilience across the state. The report represents the first phase of the NC Healthy and Resilient Communities Initiative, which NCPC leads. The report includes information on community-level cross-sector resiliency initiatives, adversity, and addressing protective factors for Adverse Childhood Experiences (ACEs). It shows the need to focus on establishing a continuum of support for not just children but those that support children—addressing the systems around children to ensure a healthier community. It is a powerful tool for local coalitions and collaboratives, establishing shared language, history, and frameworks for action.



Bladen Smart Start formed the Resilient Bladen Coalition to combat trauma and promote resilience in Bladen County. The Coalition formed a Community Prevention Action Plan to train families, agencies, and community members on adverse childhood experiences; parenting and child development; and building a resilient, trauma informed community.



In Union County, the **Alliance for Children** held Road to Resilience, a community event focusing on resilience. The partnership provided kits for families and child care centers focused on resilience and building coping skills. The kits will better prepare children to learn socio-emotional skills and protect against adverse childhood experiences.

See Data and Tables on page 26

Responding to COVID-19

The pandemic – and the changes it brought to North Carolina’s communities – have been challenging for the entire state, but especially for the youngest children, their families and those who support them. In fact, new research shows that children born during the pandemic score markedly lower on standard measures of verbal, motor, and overall cognitive ability. Changing health, economic, and care conditions placed stress on both children and families. Child care professionals and providers faced intense business pressures, with reduced enrollment and rising costs. Still, many remained open, ensuring North Carolinians could continue to work.

Throughout the pandemic, the Smart Start network has continued to respond to the needs of the children and families in communities. Smart Start local partnerships shifted programs online or outside to help families in new ways. Out-of-the-box solutions like drive-thru events, telehealth visits, virtual classrooms, and take-home activity kits helped keep children learning and developing safely. Local partnerships also provided supplies and resources to keep child care providers open and available, serving more than 2,350 facilities. They found creative ways to maintain support for child care professionals, providing technical assistance online or on new platforms. Local partnerships and their Child Care Health Consultants (CCHCs) helped child care centers stay up-to-date with changing requirements, safety best practices, and other tools. As vaccines became available, Smart Start partnered with state and local organizations to get shots in the arms of child care professionals.

In October 2020, NCPC and the Smart Start network launched a series of initiatives to support families and children during the COVID-19 pandemic. The initiatives were

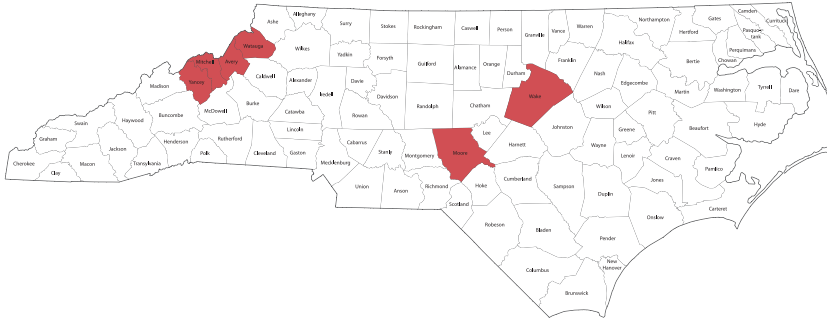
supported by \$5 million in federal CARES Act funds allocated by the General Assembly and the N.C. Department of Health and Human Services.

One of the Smart Start initiatives addressed the ongoing stress faced by young children and families, providing access to online trainings through Resources for Resilience. During 46 trainings, the initiative taught 850 parents, caregivers, and early childhood professionals what happens to children affected by stress and provided coaching to support resiliency tools. The initiative also included supplemental materials, including workbooks, tool cards, and videos to reinforce the strategies learned and share within local communities.

Smart Start also supported family child care homes and small child care centers to ensure critical access to child care in communities throughout the state. There are nearly 1,300 family child care homes in North Carolina, serving almost 8,000 children. Smart Start provided access to Wonderschool, a business automation platform for family child care and small centers. Wonderschool delivers digital tools and training to help providers adjust to business challenges caused by the pandemic and to improve communication with parents. More than 700 providers signed on to this opportunity, and nearly 300 child care programs developed a new online presence through this work.

To help families stay connected to services and to help early childhood professionals access resources during the pandemic, Smart Start distributed 2,000 tablets and internet hotspots across the state. According to Census data, almost 25% of North Carolina households do not subscribe to any internet services, with a disproportionate impact on

Spotlight on:



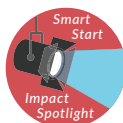
low-income, rural, and minority families. The increased reliance on virtual tools during the pandemic deepened this digital divide. Smart Start worked to ensure that a lack of internet access did not limit families access to needed services, including home visiting programs.

to ensure a continuum of support to families. The negotiation included a specialized, direct support line, preloaded applications for virtual engagement, and a customized screen for families. WCSS also partnered with Wake County Human Services to focus on reducing infant mortality among low-wealth African American mothers through tablet distribution and technical support. Through such strategic partnerships, WCSS has creatively supported children and families throughout Wake County.



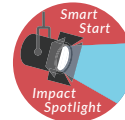
The Blue Ridge Partnership for Children

partnered with local agencies to provide school supplies and information to young children and families. Through a partnership with Blue Ridge Healthy Families, Healthy Blue, and March of Dimes, they provided 263 students with school supplies. The partnership also connected with local grocers to purchase bulk supplies for child care centers and maintained a relationship with Yancey County's Emergency Manager to ensure children were aware of child care availability. Through these important connections, children in **Avery, Mitchell and Yancey** counties were better prepared to keep their youngest residents safe.



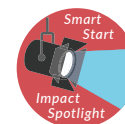
Wake County Smart Start (WCSS)

found new strategies to meet the need for virtual connection and digital access during the pandemic. WCSS negotiated with Verizon for larger tablets, making enrollment and engagement in virtual appointments easier, as well as two years of prepaid service



When the doors of the Children's Council of Watauga County

were closed to the public, the staff loaded the van and went out into the community to serve families in their neighborhoods. The partnership delivered early learning kits, diapers, wipes and formula, and provided on-site parenting support and connections to community resources throughout the fall of 2020. The partnership served 85 families in three months, many of whom were new to the organization.



In Moore County, Partners for Children & Families,

has been a "one-stop-shop" for child care centers to ask licensing, health, and safety questions. The partnership focused on improving and enhancing relationships with local child care providers during the pandemic to ensure these questions could be asked. By connecting with centers, the partnership has been able to improve practices and provide essential answers around sanitation, staffing, and employee well-being.

Enhancing Sustainability for Early Childhood Infrastructure

As the network of Smart Start local partnerships works to enhance support to families, early childhood professionals, and the communities they serve, NCPC works at the state level to strengthen coordination of early childhood governance, as well as ensure the network is meeting and responding to all legislative mandates and changes.

FY 2020-21 was a year of transition and growth for the Smart Start organization. In August 2020, Amy Cabbage joined NCPC as its new president, bringing experience as a national leader in early learning and policy to the role. Under Cabbage's leadership, NCPC launched a new strategy division to live into the legislative vision of Smart Start as a public-private partnership that innovates to strengthen the state's early childhood system. In partnership with state agencies, philanthropy, and other early childhood organizations, NCPC has played a leading role in the following projects and initiatives in FY 2020-21:

- Under the federal Preschool Development Grant, NCPC and Smart Start local partnerships are supporting family engagement and leadership coalitions and launching pilots of the Family Connects home visiting model in three rural communities.
- Through a multi-year grant from the Blue Cross Blue Shield of North Carolina Foundation, NCPC is investing in a series of projects to increase the Smart Start network's capacity for systems leadership, supporting leadership development tools, creating opportunities for network-wide learning, strengthening data systems, and streamlining contracting.
- After years of planning with numerous partners, the North Carolina Home Visiting and Parenting Education (HVPE) System launched with administrative support from NCPC. The system works to align funding and resources for HVPE, improve

the quality of services, and link programs to other early childhood supports.

- The NC Healthy and Resilient Communities Initiative completed a landscape analysis identifying local coalitions working to address adverse childhood experiences (ACEs) and build resilience across the state.
- Since the summer of 2020, a workgroup of local partnerships and NCPC staff have been working on initiatives to promote racial equity in the state's early childhood system, with an initial focus on reducing preschool expulsions.

NCPC and Smart Start local partnerships also continued to play a critical role in helping the state's families and early childhood service providers respond to the COVID-19 pandemic. In partnership with the North Carolina Department of Health and Human Services (NC DHHS) and leveraging funds from the federal CARES Act, Smart Start local partnerships offered resilience trainings to families and service providers, connected families to mobile technology so that they could access services remotely, and paid for subscriptions to Wonderschool, a technology platform that supports family child care homes and microcenters in managing their businesses. NCPC also partnered with NC DHHS on an expansion of child care health consultants in the state to promote safe, healthy care environments for children during the pandemic.

In the 2020 and 2021 legislative sessions, NCPC supported legislation to appropriate federal dollars from the CARES Act and Coronavirus Response and Relief Supplemental Appropriations Act to stabilize the child care sector, including providing grants to providers and subsidy copayments for parents. NCPC additionally provided input on legislation in the 2021 long session to study child care workforce programs and temporarily offer providers flexibility for quality ratings and educational requirements in response to the COVID-19 pandemic.

A Comprehensive Approach to Early Childhood

The North Carolina Partnership for Children and the Smart Start network are committed to advancing an early childhood system that offers accessible, high-quality programs and services for all families and young children in the state, regardless of racial, ethnic, or socioeconomic background. The COVID-19 pandemic has highlighted and exacerbated many disparities in access and opportunity, and Smart Start will continue to promote policies and interventions that address these gaps. In 2022, Smart Start will work to advance the following policy priorities:

Supporting North Carolina's early childhood system to provide a sound, basic education beginning at birth. Support for Smart Start, NC Pre-K, and other high-quality early education programs and services are among the most strongly evidenced, cost-effective interventions available to prepare students for success in school. The Leandro comprehensive remedial plan outlines concrete steps to guarantee that every child in the state can access high-quality early childhood learning opportunities and enter kindergarten on track for success in school. NCPC supports efforts to scale up Smart Start, expand NC Pre-K, increase early learning opportunities from birth, improve access to early intervention services, strengthen the early childhood educator pipeline, and ensure smooth transitions into the early grades.

Continuing efforts to ensure the long-term sustainability of the early care and education industry. Inconsistent access to child care has remained a major impediment to families in returning to work during the COVID-19 pandemic and has contributed to economic challenges as the state has re-opened. Despite

stabilization funding from federal COVID-19 relief packages, many child care providers are still struggling to keep classrooms open and hire and retain staff. Smart Start supports policies and investments that provide additional funding to improve access to quality care, including increased compensation for the early childhood workforce and improved child care subsidy reimbursement rates. These policies and investments would help providers address the current crisis, support the state's economic recovery, and position North Carolina to make the best use of major new investments in early learning currently being debated at the federal level.

Expanding access to home visiting and other programs that nurture strong families.

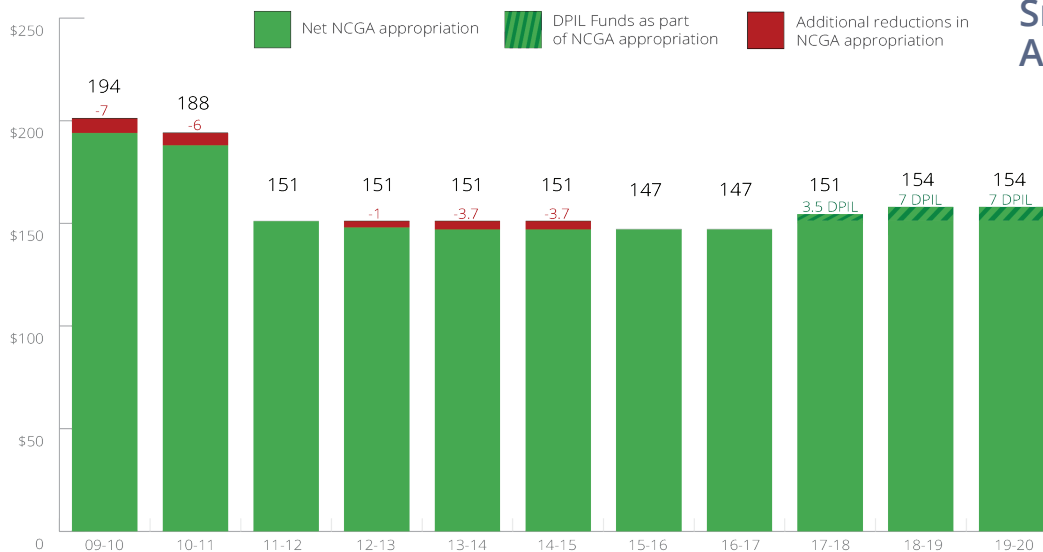
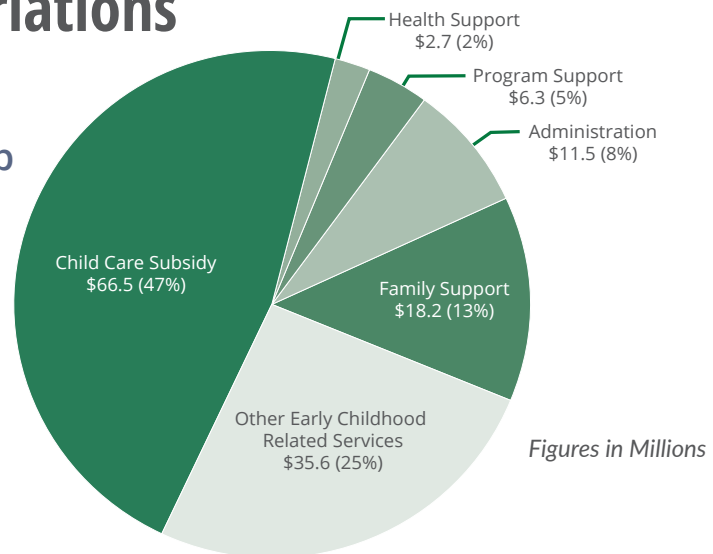
Young children learn and grow most effectively in strong families with confident, secure caregivers. Ensuring parents have access to the resources and supports to navigate the challenges of caring for their children gives those children the best start possible. As the backbone of North Carolina's Home Visiting and Parenting Education System, Smart Start supports increasing equitable access to a range of parenting education and early childhood home visiting programs, with the goal of reaching all parents across the state. These programs build family relationships, and support social-emotional health and resilience, and keep children safe and healthy.

Graphs, Charts, and Supporting Data

Finance and Appropriations

Total Local Partnership Expenditures

Fiscal Year 2020-2021
\$141 million



Early Childhood Allocations Within the Total State Budget

	FY 2000-2001	FY2020
Total State General Fund Budget	\$13,854,000,000	\$24,500,000,000
General Fund Smart Start Appropriation	\$231,000,000	\$147,000,000
DCD Subsidy General Fund Appropriation	\$54,000,000	\$43,800,000
NC Pre-K General Fund Budget	-	\$34,900,000
% of Total State General Fund Budget	2.1%	0.92%

Raising the Quality of Early Care and Education

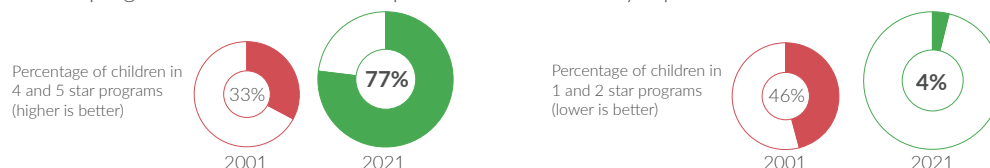
	FY 2018-2019	FY 2019-2020	FY 2020-2021
Number of all child care programs (1- to 5-star) receiving support to improve or maintain the quality of care and the related number of children served*	1,826 child care programs serving approximately 72,900 children	1,080 child care programs serving approximately 46,233 children	607 child care programs serving approximately 18,210 children
Purchase of care expenditures excluding NC Pre-K	\$53,990,269	\$53,545,012	\$54,471,622
Number of low-paid teachers receiving an education-based salary supplement ensuring continuity of care for children by highly qualified teachers and the related number of children served	4,781 teachers serving approximately 54,460 children	4,616 teachers serving approximately 53,546 children	3,784 teachers serving approximately 43,894 children
Number of teachers participating in Smart Start-funded programs that helped them to study early education at the college level and the related number of children served	802 teachers serving approximately 9,303 children	680 teachers serving approximately 7,888 children	525 teachers serving approximately 6,090 children
Number of counties where a Smart Start local partnership administers NC Pre-K	55	55	55

*Star rating assessments were largely paused during COVID-19, impacting this type of TA.

Record of Child Care Quality Improvement

At a statewide level:

- The percentage of children in 4 and 5 star programs increased from 33 percent in 2001 to 72 percent in 2021. The percentage of children in low quality, 1 and 2 star programs decreased from 46 percent in 2001 to only 4 percent in 2021.



- The average star rating for children enrolled in regulated early child care and education programs increased from 2.76 in 2001 to **4.31** in 2021.



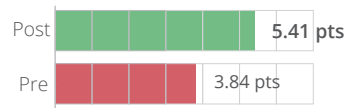
Age	Average Stars
Infant	4.16
1 y.o.	4.16
2 y.o.	4.13
3 y.o.	4.23
4 y.o.	4.50
5 y.o.	4.49

Results of the previous year:

- Promoting a child's health and development is the cornerstone of many Smart Start funded activities. Teaching Strategies GOLD is a common instrument for measuring child development. Among those Smart Start funded activities that used Teaching Strategies GOLD, participating children achieved these outcomes.

	Pre	Post
Language - Meets or Exceeds	51%	89%
Literacy - Meets or Exceeds	43%	89%
Math - Meets or Exceeds	32%	85%
Physical - Meets or Exceeds	59%	94%
Social Emotional - Meets or Exceeds	46%	91%
Cognitive - Meets or Exceeds	46%	89%

- On average, child care centers that participate in programs that enhanced the education environment improved on Early Childhood Environment Rating Scales (ECERS). Based on a seven-point scale:



- On average, child care centers that participate in programs to reduce teacher turnover rates saw roughly the same level of turnover in 2020 2021 compared to 2019-20: **12%** and **11%** respectively.

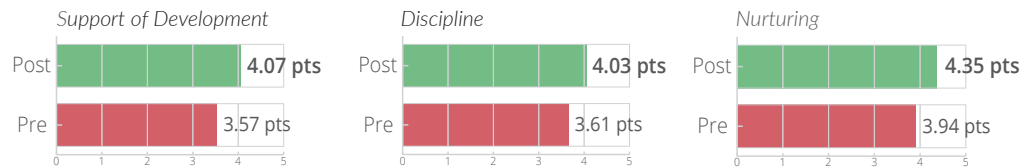
Supporting North Carolina Families

	FY 2018-2019	FY 2019-2020	FY 2020-2021
Number of families participating in Incredible Years funded by Smart Start	234	212	155
Number of families participating in Nurse Family Partnership funded by Smart Start	684	559	370
Number of caregivers participating in the one-time parenting education program, Positive Parenting Program (Triple P)	532	524	514
Number of caregivers participating in Nurturing Parenting Program	878	718	589
Number of families participating in ongoing parenting programs	1,532	1,322	1,146

Results of the previous year:

In the last fiscal year, programs that support parent education and family engagement accomplished the following:

- Based on the Life Skills Progression Positive Parenting Practice measurement instrument, parents that participated achieved the following improvements (based on a five-point scale):



- Based on Keys to Interactive Parenting (KIPS) measurement tool, parents that participated in Triple P achieved the following shifts in scores of positive parenting skills:
 - » Parents scoring low – pre=26%, post=24%
 - » Parents scoring moderate – pre=58%, post=64%
 - » Parents scoring high – pre=15%, post=12%
 - » 74% of parents who were referred to a service are using that service.

Promoting Early Literacy

	FY 2018-2019	FY 2019-2020	FY 2020-2021
Number of children participating in the evidence-based program Reach Out and Read (ROR)	90,222	91,169	79,302
Number of medical offices participating in the Smart Start evidence-based program ROR and related number of counties	152 offices in 60 counties	161 offices in 61 counties	161 offices in 59 counties
Number of families participating in the evidence-based program Raising A Reader (RAR)	7,825	6,434	3,165
Number of children participating in Dolly Parton's Imagination Library	234,931	273,061	289,590
Number of children whose caregivers are participating in other literacy programs	3,627	2,845	1,587

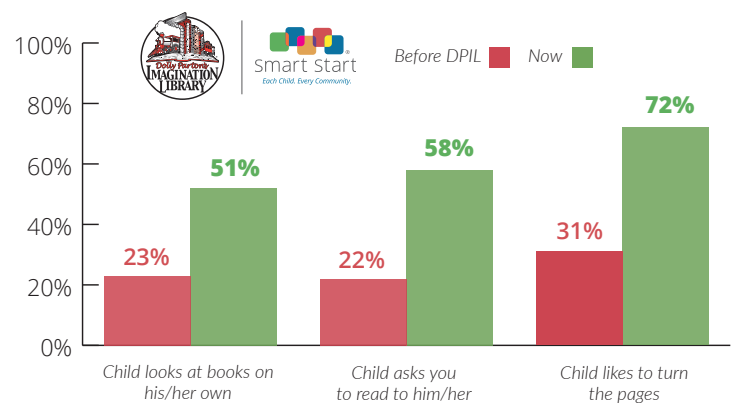
Results of the previous year:

Smart Start has offered a wide range of early literacy initiatives that promote parent and child shared reading time. Results show an increase in the percentage of parents who report reading to their children daily.

On average, parents participating in ROR demonstrate higher rates of daily reading to their children compared to those just entering the program. Survey results show 21% of parents just starting ROR read to their children daily, while 33% reported reading daily after ROR participation.

On average, parents who participated in Dolly Parton's Imagination Library for four months or more reported an increase in reading to their children daily from 43% before they began receiving books to 67% after participating in DPIL.

On average, parents who participated in other programs designed to increase parent and child shared reading time reported an increase in reading to their child daily from 32% at baseline to 51% after participating in the program.



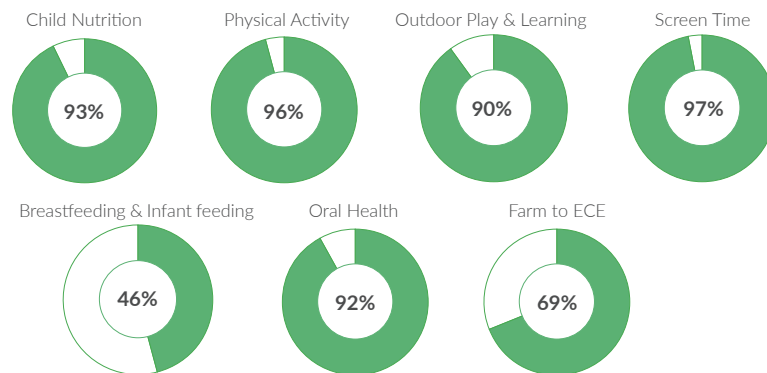
Advancing Child Health and Nutrition

	FY 2018-2019	FY 2019-2020	FY 2020-2021
Number of medical practices and physicians participating in ABCD	76 medical practices	59 medical practices	54 medical practices
Number of children with special needs or at-risk for developmental delay that received Smart Start health-related enhanced services	969	1,333	1,276
Number of children receiving healthier food options and more physical activity in child care as part of the evidence-based Nutrition and Physical Activity Self-Assessment for Child Care (NAPSACC) program	3,330	4,260	5,963
Number of children that participated in Shape NC initiatives	3,957	4,636	2,828

Results of the previous year:

NAP SACC

Percentage of facilities improving in:



Health and Safety Assessment

Average classroom scores pre and post:

