



# Overview of Early Care & Education in Buncombe County

*Presented by*

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Early Childhood Education and Development Committee

September 3, 2024





**Funding  
Strategy  
Series**



**Session 1: Overview**

August 6, 2024

A look at early care & education in Buncombe County, including - licensure, quality, data & context

**Session 2: Funding**

September 3, 2024

How early care & education is paid for and impacts of Buncombe's Early Childhood Fund

**Session 3: Considerations**

October 1, 2024

A review of various approaches to investing in early learning and impacts associated with each

**Session 4: Funding Strategy**

November 5, 2023

Discussion of a funding strategy for the Early Childhood Fund going forward



# Funding Strategy Series

## Recap Session 1 from Last Month

A look at early care & education in Buncombe County, including - licensure, quality, data & context

We discussed...

- Child care regulation in NC
- Child care licensing
- Star ratings
- Child care quality over time
- Licensed slots, enrollment & population
- Comparison to other counties
- Workforce
- Funded provider survey results



# Funding Strategy Series

## Session 2: Funding

How early care & education is paid for and impacts of Buncombe's Early Childhood Fund

### AGENDA

- Follow-up on Questions from last time
  - Slots for children with disabilities
  - Criminal background check backlog
  - Star rated licensing for Montessori providers
  - Star rated license correlation with child outcomes
- Current funding context
- Review of early childhood funding
- Buncombe County's Early Childhood Education & Development Fund



# Slots for Children With Disabilities

- Developmental Day (DD) Centers offer specialized services to children who are diagnosed with developmental delays or disabilities (physical, language & speech, cognitive & psychosocial).
- Some programs enroll children with disabilities but do not offer the highly specialized DD slots.
- Slot Availability and Unmet Need:
  - Currently 28 DD slots – all filled
  - One center currently has 25 children on waitlist who qualify for DD services
- Staffing and Compensation Challenges
  - Challenging to find licensed BK teachers
  - Pay ranges from \$15 - \$22 per hour (based on experience)
- High demand, full enrollment, long waitlists, staffing challenges, and inadequate compensation and resources all contribute to ongoing difficulties in providing adequate services to all eligible children



# Criminal Background Check Backlog

- Seen significant improvements over the past several months
- Previously faced delays of several months
- Now completed within a couple of weeks
- Out of state background checks are still challenging because they require the collaboration between NC and other states



# Montessori Star Ratings

- Montessori Centers – 1 Star:
  - Asheville Montessori School North
  - Black Mountain Montessori
  - Blue Ridge Montessori School
  - Discovery Montessori School
  - Julia Street Montessori School
  - Montessori Footprints Learning Center
- Montessori Centers participating with Star Rating:
  - Hawthorn Montessori School – 4 Star
  - Montessori Learning Community of Asheville – 3 Star
  - Montessori Learning Community of Asheville, East – 4 Star
- Beginning ~2025, QRIS Modernization will allow alternative pathways for star rating equivalent, including accreditation by American Montessori Society & International Montessori Council



# Star Rated License Correlation with Child Outcomes

- QRIS (Quality Rating and Improvement System)
  - A systemic approach to assess, improve and communicate the level of quality in early and school-age care and education programs.
- NC Institute for Child Development Professionals
  - System grounded in research that links child outcomes to the professional development of teachers and directors
- ECE Workforce Related Resources & Research Library
  - <https://www.ncicdp.org>
  - Including: compensation and benefits; higher education; professional development; education of the ECE workforce; advocacy & policy; child care statistics





# Current Funding Context

- Providers are facing financial pressure from inflation & rising staff wages
- Families are met with rising fees for private pay
- While there have been some improvements, public funding program reimbursement rates are lagging, stagnant and insufficient to cover the true cost of care
- One-time COVID-related public funding is sunseting and not being replaced by the government at the same levels



## Brief | A stable system of birth-to-five child care and early learning

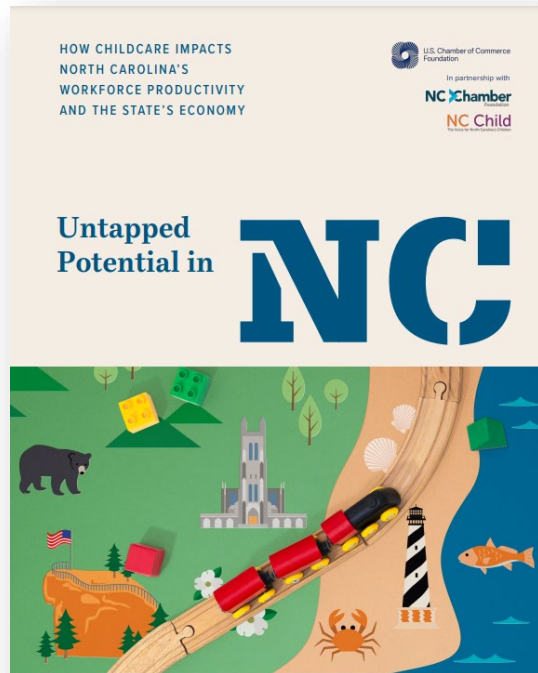
- **Few Options for Babies** – Infant and toddler care is severely lacking in most communities and can be almost impossible to find in some rural communities. North Carolina only has enough infant and toddler care for 1 in 5 children.
- **Long Waitlists** – There aren't enough child care and preschool seats available for all the families that need and want to place their children in stable, high-quality home and center-based care while they are at work or in an educational program. For example: Buncombe County, in which 69% of families with children under age 6 have all parents working, has lost approximately 11% of its child care slots since the pandemic, with availability continuing to decline.
- **Low Wages for Providers and Educators** – child care providers are experiencing a labor shortage because wages and benefits are too low to attract and keep staff. In 2021, North Carolina had about 2,000 fewer child care professionals than in 2019.

North Carolina's child care system is under-resourced, underfunded and in trouble.

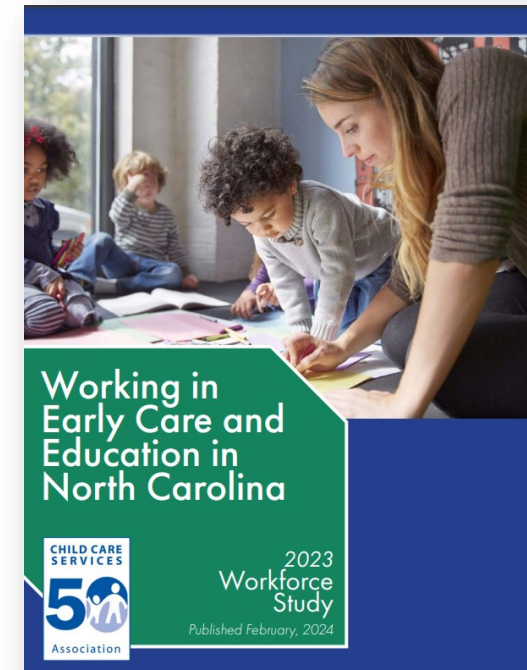


# Recent reports

Untapped Potential in NC: How childcare impacts North Carolina's workforce productivity and the state's economy



Working in Early Care and Education in North Carolina: 2023 Workforce Study



# How much does child care cost?

The annual median cost to families ranges from \$11,076 - \$13,208 per child:

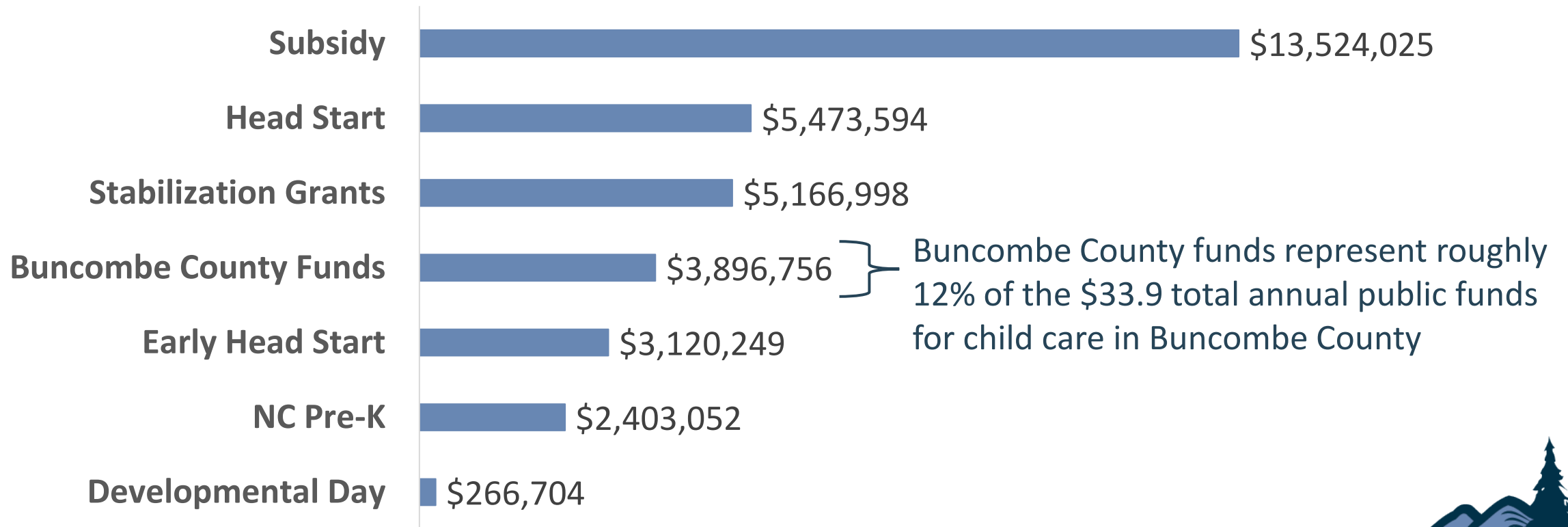
	<u>Infant</u>	<u>1 year old</u>	<u>2 years old</u>	<u>3 years old</u>	<u>4 years old</u>	<u>5 years old</u>
MIN	\$867	\$650	\$650	\$498	\$498	\$498
AVERAGE	\$1,096	\$1,062	\$984	\$910	\$906	\$906
MEDIAN	\$1,101	\$1,066	\$975	\$923	\$923	\$923
MAX	\$1,655	\$1,655	\$1,655	\$1,248	\$1,248	\$1,248

Data from a 2024 Survey by Buncombe Partnership for Children.  
Weekly rates have been converted to monthly for this presentation.



# What are the public sources of funding for child care?

2023-2024



# Public Funding Sources

## Child Care Subsidy (“vouchers”)

- Uses state and federal funds to provide subsidized child care services to eligible families
- Must meet both situational and financial criteria
- Most families are required to pay 10% of costs based on gross monthly income (Exemptions: Families involved with Child Protective Services, Child Welfare Services and Foster Care)
- Reimbursement rates vary based on center vs. home & star rating



# Subsidy Child Care Rates (Monthly) Based on Buncombe's Median Rate

	<u>Infant</u>	<u>2 Year Olds</u>	<u>3-5 Year Olds</u>
3 Star Center	\$715	\$706	\$730
3 Star Home	\$788	\$776	\$733
4 Star Center	\$793	\$762	\$747
4 Star Home	\$877	\$804	\$817
5 Star Center	\$922	\$854	\$775
5 Star Home	\$1022	\$833	\$923

<https://ncchildcare.ncdhhs.gov/Provider/Providing-Child-Care/Subsidized-Child-Care/Care-for-Children-Receiving-Subsidy>



# Public Funding Sources

## Head Start & Early Head Start

- Federally funded, comprehensive preschool program designed to meet the emotional, social, health, nutritional, and psychological needs of children
- Provides free “school day/school year” services primarily for low-income families that meet the federal income guidelines (income is determined to be at or below the federal poverty level), families experiencing homelessness, children in foster care, and families that are receiving other government benefits
- Head Start – serves children aged 3 to 5 and their low-income families
- Early Head Start – serves low-income expectant families and eligible families with infants and toddlers under the age of three
- Head Start funding is not based on a per child reimbursement rate.





# Public Funding Sources

## Stabilization Grants

- Federal COVID dollars passed through the state granted to programs to facilitate high quality early childhood education at its true cost and increase compensation to staff

## Buncombe County Funds

- Local general funds granted annually for the purpose of advancing the strategic priority to ensure that every child in Buncombe County has an equal opportunity to thrive during their first 2,000 days, including access to quality early childhood education



# Public Funding Sources

## NC Pre-K

- Free “school day/school year” state-funded high quality early care and education program that aims to enhance children’s school readiness
- Provides free services for 4-year-olds whose family income is at or below 75% of the state median income or have documented risk factors
- Reimbursement Rate per student per month: \$728 for Private Centers, \$530 for Public School Centers, \$420 for Head Start Centers

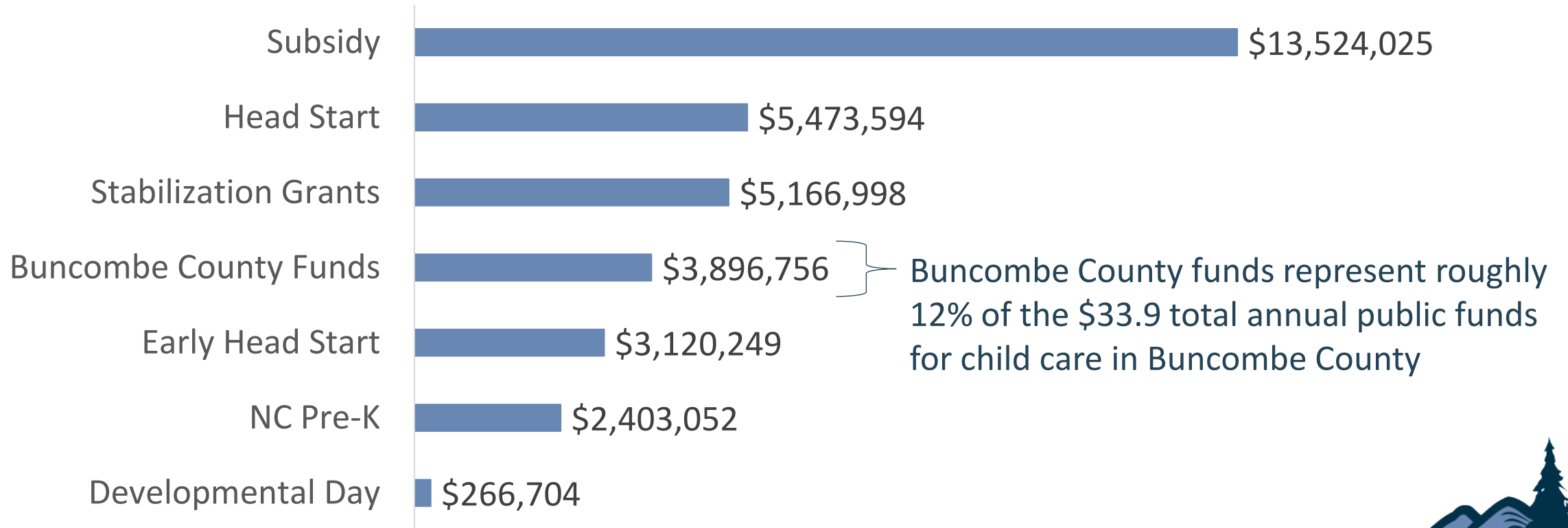
## Developmental Day

- Serves children who are diagnosed with developmental delays or developmental disabilities, or have been identified with a diagnosed physical or cognitive condition which has a high probability of resulting in developmental delays
- \$1350 per student per month



# What are the public sources of funding for child care?

2023-2024



# Public Funding Over Time

	Subsidy	Head Start	Stabilization Grants	Buncombe County Funds	Early Head Start	NC Pre-K	Developmental Day
<b>2018-2019</b>	\$10,724,214	\$4,441,247		\$951,460	\$2,804,235	\$2,163,840	\$396,636
<b>2019-2020</b>	\$10,875,007	\$4,498,352		\$3,600,000	\$2,641,148	\$2,294,880	\$316,928
<b>2020-2021</b>	\$10,821,138	\$4,700,541		\$3,672,000	\$2,782,796	\$2,295,220	\$261,996
<b>2021-2022</b>	\$8,687,518	\$4,844,950	\$3,380,407	\$3,745,440	\$2,821,029	\$2,295,220	\$262,428
<b>2022-2023</b>	\$10,014,305	\$5,349,133	\$11,832,908	\$3,820,349	\$2,892,014	\$2,403,740	\$199,437
<b>2023-2024</b>	\$13,524,025	\$5,473,594	\$5,166,998	\$3,896,756	\$3,120,249	\$2,403,052	\$266,704



# Buncombe County Early Childhood Fund

- Investment amount per year:
  - 2018-2019: \$951,460 (pre-existing investments)
  - 2019-2020: \$3,600,000 (first year of the fund)
  - 2020-2021: \$3,672,000
  - 2021-2022: \$3,745,440
  - 2022-2023: \$3,820,349
  - 2023-2024: \$3,896,756
  - 2024-2025: \$3,974,691



# Funding Strategies

**Support early care & education for children birth through kindergarten with an emphasis on pre-kindergarten:**

- Develop early childhood **workforce**
- Maintain/enhance existing **slots**
- Increase **slots** for enrollment
- Increase **quality**
- Support **families**
- Enhance effectiveness of overall **system**



# Types of Funded Projects



- Behavioral health support
- Classroom supplies and furnishings
- Construction of new classrooms
- Cooperative & home-based care
- Curriculum, assessments & licensing
- Literacy Support
- Matched savings program
- Outdoor space
- Outreach & parent engagement
- Student nutrition
- Teacher pay
- Technology
- Workforce development for existing & new professionals



# Overall Impact

**\$22+ M invested so far, supporting the creation of 409 new slots**

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Amount Granted	\$3,600,000	\$3,672,000	\$3,745,440	\$3,820,349	\$3,896,756	\$3,974,691
# Projects	19	19	21	22	21	15
# Funded Agencies	13	14	12	17	16	10
# “New” Slots Created	102	132	119	40	16	
Existing Slots Supported	805	794	551	899	947	TBD

Represents roughly 24% of the 3,901 total enrolled slots in Buncombe County





# FY2025 Grants

Providers: \$2,372,097 (59%)	Workforce \$665,100 (16%)	System Support \$983,144 (24%)
<ul style="list-style-type: none"> <li>• <b>Buncombe County Schools</b> – BCS Learning Labs</li> <li>• <b>Community Action Opportunities</b> – Johnston PreK</li> <li>• Community Action Opportunities – Burton PreK</li> <li>• Community Action Opportunities – Burton Toddler</li> <li>• <b>Donald S Collins Early Learning</b></li> <li>• <b>Irene Wortham Center</b> – Developmental Day Enhancements</li> <li>• <b>The Christine Avery Learning Center</b></li> <li>• <b>YWCA</b> Early Learning Program</li> <li>• <b>YWCA</b> Empowerment Child Care</li> </ul>	<ul style="list-style-type: none"> <li>• <b>AB Tech</b> – Early Childhood Collegiate Support Program</li> <li>• <b>Buncombe Partnership for Children</b> – Early Childhood Workforce Development Program</li> <li>• <b>Verner</b> – Continuing the Early Care &amp; Education Workforce Dev Initiative</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Buncombe Partnership for Children</b> – Child Care Resources</li> <li>• Buncombe Partnership for Children – Sustaining Success in Building NC PreK Capacity</li> <li>• <b>FIRSTwnc</b> – Expanding SUNSHINE Project</li> </ul>



# Number of Years Organizations are Funded

# of Years Funded	# of Organizations	% of Total
1 year	1	5%
2 years	3	15%
3 years	5	25%
4 years	1	5%
5 years	3	15%
6 years	7	35%
Total	20	



# Overall Funding Per Organization

<u>Organization</u>	<u># of Projects</u>	<u>Amount</u>
Buncombe County Schools	9	\$3,764,975
Community Action Opportunities	16	\$3,741,530
Buncombe Partnership for Children	22	\$3,141,442
SVCCC - Donald S Collins Early Learning	6	\$1,725,687
The Christine Avery Learning Center	6	\$1,622,700
Irene Wortham Center	7	\$1,401,202
Asheville City Schools	3	\$1,203,558
YWCA of Asheville and WNC	11	\$1,085,000
Southwestern Child Development	5	\$702,583
Verner Center for Early Learning	2	\$701,334
Eliada Homes, Inc	5	\$389,413
FIRSTwnc	3	\$340,204
AB Tech	3	\$327,786
Evolve Early Learning	4	\$298,116
Warren Wilson College	2	\$200,235
Read to Succeed	3	\$169,919
Colaborativa La Milpa	5	\$162,890
OnTrack Financial Education & Counseling	3	\$161,541
Bent Creek Baptist Church	1	\$120,331
Asheville Jewish Community Center	3	\$72,384

} \$10.7 M to the top 3 grantees represents 48% of the total \$22.2 M

*Includes actual funds disbursed through FY2020-FY2024 + FY2025 award amount*



# THIS vs. THAT

A focused initiative	A variety of projects
Classrooms	Whole-system support
Infant & toddler care	Pre-kindergarten
Operational	Start-up
New projects	Renewal funding



# Next Steps

- **October** – A review of various approaches to investing in early learning and impacts associated with each
- **November** – Discussion of a funding strategy for the Early Childhood Fund going forward
- **December** – Present to County Commissioners & open FY2026 grant applications

