

August 2017

# The Key to Our Futures:

## Expanding Access to High-Quality Preschool in Asheville and Buncombe County

A Report and Recommendations from the Asheville-Buncombe Preschool Planning Collaborative



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## ACKNOWLEDGEMENTS

In 2015, a group of early childhood leaders and supporters came together to answer the question, “What if we could create a system in Asheville and Buncombe County that makes high-quality preschool affordable and accessible to all children?”

Since that time, with an unwavering goal of doing what is best for our community’s children, that group of supporters – now called the Asheville-Buncombe Preschool Planning Collaborative (ABPPC) – has grown considerably to include community members representing not just early education, but also the K-12, higher education, business, government, nonprofit and volunteer sectors.

Today, ABPPC is pleased to provide this report to our community, sharing our accomplishments and the work that is yet to come. In particular, we would like to thank all of those who gave willingly and generously of their time and expertise to engage in deep and sometimes challenging conversations about what it will take to expand access to preschool in Asheville and Buncombe County. Your engagement proves time and again that we are a community that cares enough to make positive change happen. Your knowledge and expertise ensure that we will succeed.

We would also like to thank the generous funders who have supported our planning process: The Community Foundation of Western North Carolina, Buncombe County, City of Asheville, Buncombe Partnership for Children, and individual donors. Their financial investment in a shared vision for our community’s children has made our work to date possible. We also would like to thank Buncombe Partnership for Children, the Asheville Chamber of Commerce, Lenoir-Rhyne University, the United Way, Buncombe County, Mountain Area Health Education Center, and UNC-Asheville for providing space for our many meetings.

ABPPC is pleased to provide this report to our community, sharing our accomplishments and the work that is yet to come.

Our journey has been guided by the wisdom, knowledge and experience of individuals and firms who have helped us lay the groundwork, frame our approach, facilitate our discussions, and inform our recommendations. We offer deep thanks to Scarlett Boudier of Advocacy & Communication Solutions, and to Leslie Anderson and Stacy Anderson of Leslie Anderson Consulting, Inc.

Everyone who has contributed to our process recognizes that supporting the healthy physical, social/emotional, and academic development of our youngest citizens is absolutely essential for ensuring a thriving future for Asheville and Buncombe County. To all of you, we offer our deepest and heartfelt thanks.

Jennie Eblen, Chair, ABPPC

## EXECUTIVE SUMMARY



### ***All children in Asheville and Buncombe County deserve a high-quality preschool experience.***

Expanding access to high-quality preschool is an imperative for Asheville and for Buncombe County for many reasons. The benefits of ensuring a high-quality preschool experience accrue not only to individual children, but to their families, communities and the economy in our area.

- ***For children***, high-quality preschool helps them become more successful in their education and throughout adulthood by providing critical early building blocks that help children thrive in school and close the achievement gap. Children who experience a high-quality early childhood education are more likely to achieve literacy and other development goals in school, graduate from high school, attain a college degree, get a high-paying job, and avoid conflicts with the justice system. High-quality preschool also helps children with developmental delays avoid the need for special education.
- ***For families***, high-quality preschool programs can provide peace-of-mind for working adults, help identify and address early developmental issues, and enhance parenting skills. In fact, the availability of preschool is often essential for parents who need or want to work.
- ***For communities***, high-quality preschool programs help save money over the long term, because they reduce high school dropout rates, special/remedial education costs, discipline issues, medical costs, as well as costs for law enforcement, courts, and incarceration. Nobel Prize winning economist James Heckman estimates that for every \$1 spent on high-quality preschool for 3- and 4-year-olds, communities save \$7 in long-term costs for things like remediation, social supports, or criminal justice.
- ***For local economies***, high-quality preschool programs help produce a better educated, more stable workforce and safe, vibrant communities that can attract top talent and consumers. Economists at the Federal Reserve found that compared to other kinds of state investment that are considered as “economic development,” investment in early education yields a far greater return.

**Clearly, the benefits of providing high-quality preschool are well worth the associated costs. The challenge is to figure out an achievable way to secure these benefits for our children, families and community in Asheville and Buncombe County.**

ABPPC is a voluntary collaborative that came together in 2015 to figure out a way to make this a reality. Members of ABPPC include representatives from education, nonprofits, government and business who are volunteering their knowledge and resources to explore high-quality preschool expansion in our community. Our ultimate vision is to ensure that every child age birth to five in Asheville and Buncombe County has access to high-quality, affordable early care and education. However, we realize that this is an incredibly large undertaking that will require enhancements to a number of systems and structures that are currently in place. Therefore, over the next five years, we are ***focused on increasing access to affordable, high-quality preschool for 3- and 4-year-olds in Asheville and Buncombe County, with a priority on children and families who are currently experiencing the greatest barriers to access.***

Since ABPPC first met together in 2015, it has worked to ***study the current state of preschool*** in Asheville and Buncombe County, ***learn from successful programs*** in other states, ***design an approach*** for the expansion of high-quality preschool seats, ***educate key stakeholders and secure community engagement*** in our process, and ***offer recommendations*** to make expansion a reality. **This report summarizes our work to date, and lays out next steps for the upcoming year and beyond.**

## **The Current Need and Climate**

Data gathered by ABPPC's Research Work Group show that the need for high-quality preschool is in a near-crisis state. Survey results from more than 600 Buncombe County families show that the demand is high for preschool programs, yet only about one-third of the eligible preschool population (2,100 children) is currently being served. The reasons for that gap are many:

- High-quality preschool is expensive. It is difficult for providers to cover the costs of high-quality care, and difficult for families to afford it.
- Preschools are scarce. There are currently not enough high-quality preschool providers in Buncombe County to meet the demand.
- The preschool profession is undervalued. Preschool teachers are paid at a low rate, and receive few incentives and supports for ongoing professional development.
- New preschool teachers are few. There are not enough people entering the early education profession to fill vacancies that could be created by providers who wish to expand and serve more children.

What is Preschool?  
For our work, we define "preschool" as a licensed full-day or school-day developmentally appropriate program for 3- and 4-year-olds.

This need is not confined to Buncombe County. Other communities across the state and nation are currently exploring their own ways to increase preschool access and increase quality.

Fortunately, momentum is growing in Asheville and Buncombe County, with five new preschool classrooms being added to local schools and child care centers between 2015 and 2017. There are many existing assets in our city and county upon which to build for preschool expansion. Public school classrooms, Head Start programs, and sites that offer the state's nationally recognized NC Pre-Kindergarten Program (NC Pre-K) are all currently providing a high-quality experience. If we can build on their successes and provide these and others with incentives to grow, we can expand access for all.

## Recommended Preschool Quality Requirements

To ensure quality growth, ABPPC has developed recommendations for what expanded high-quality preschool should “look like” in our community, based on evidence-informed research. Overall, we believe that any preschool experience should be rooted in teacher-child relationships, leverage strong collaborations, be trauma-informed and resiliency focused, employ a flexible and diverse evidence-based program, and take a holistic approach. In addition, our recommendations incorporate four elements specifically designed for our community:

- 1. Tailored high-quality standards.** Our proposed program model is based largely on the NC Pre-K standards for quality, but includes flexible high-quality standards that allow more providers to participate in local expansion efforts.
- 2. A clear path forward for providers** who want to expand, including a two-tiered approach with entry level and goal level standards.
- 3. A focus on the workforce** to elevate the status of qualified preschool teachers and improve their working conditions and career prospects.
- 4. Sharing services.** In order to build providers’ capacity to offer a range of services that they are currently unable to offer, our goal is to develop options for shared services.

(Please see the full report for complete quality model recommendations.)

## Estimated Costs to Expand Access

ABPPC explored several scenarios related to the cost of providing high-quality preschool, using a benchmark of 70% of all eligible 4-year-olds (and some 5-year-olds that would still be in preschool), and 64% of all eligible 3-year-olds.

Currently, we estimate the **average annual per child slot cost** of expanding high-quality preschool to be the following:

| FULL DAY, FULL YEAR |            | SCHOOL DAY, FULL YEAR |            | SCHOOL DAY, SCHOOL YEAR |            | FAMILY CHILD CARE HOME |            |
|---------------------|------------|-----------------------|------------|-------------------------|------------|------------------------|------------|
| ENTRY LEVEL         | GOAL LEVEL | ENTRY LEVEL           | GOAL LEVEL | ENTRY LEVEL             | GOAL LEVEL | ENTRY LEVEL            | GOAL LEVEL |
| \$9,697             | \$10,774   | \$6,711               | \$7,470    | \$5,650                 | \$6,296    | \$6,296                | \$6,384    |

This translates into an **average annual per classroom slot cost** that ranges from \$193,932 for a full-day, full-year goal level program (based on 18 children per class) to \$18,300 for an entry level family child care home (based on 5 children per home). Overall, **we estimate the maximum annual cost of providing slots for 70% of available 4- and 5-year-olds and 64% of available 3-year-olds not currently enrolled in preschool (1,778 children) to be \$19,159,022 per year.**

When compared to the **per-child cost of other existing preschool programs**, the quality model proposed by ABPPC is more expensive than some, but less expensive than NC Pre-K. It also is a better value than some programs that offer only school-year or part-day options.

Expanding preschool also will require adding additional classrooms across the county. **We estimate the start-up cost of each new preschool classroom to be approximately \$24,000.**

## Potential Strategies for Funding Expansion

When some people talk about “universal pre-K,” they refer to a system in which all preschool seats are funded with public monies. Often, the majority of those seats are incorporated into a community’s public school system, as with kindergarten. While this structure may eventually prove to be sustainable, we believe that expanding high-quality preschool will require the participation of both public and private providers, and that funding for expanded preschool access currently must come from a mix of public and private sources. Public sources can include federal, state and local funds. Private sources can include support from the business community, philanthropy, and from fees-for-service paid by families on a sliding scale.

***As the work of ABPPC moves forward, we will seek to identify the most likely sources of funding and strategies for seeking those funds.***

## Continuing the Work of ABPPC

As the work of ABPPC moves into the next phase, we have identified many questions for which we will need to explore answers, and many next steps that are required to offer the much-needed increased access to high-quality preschool to our community’s children and families. ***To inform our work, we will review the recommendations in this report with a broad swath of our community — from key influencers to end-users — to gather their perspectives, thoughts, concerns and hopes.*** This phase of our work will take many months to accomplish, but it is imperative so that our community can fully invest in expanding access to high-quality preschool. As we conduct our review and define our recommendations into a formal expansion plan, we will:

- Apply a racial equity lens to all decision-making processes for preschool expansion.
- Determine priority populations for initial expansion.
- Further define provider eligibility.
- Evaluate provider capacity to expand.
- Create a timeline for implementing the quality model and workforce development goals.
- Build out the necessary supports for quality improvement and professional development.
- Address workforce issues including access to education, professional development, and increased wages.
- Research shared services options.
- Identify and mitigate the chances for unintended consequences, particularly for others in the birth-to-five spectrum.
- Establish goals and benchmarks for implementation.
- Develop a plan for impact evaluation of the preschool expansion.
- Further refine our cost models and begin feasibility studies of various funding streams.
- Build public will for preschool expansion by enhancing community outreach and engagement efforts.
- Continue outreach and advocacy with elected officials and policymakers at the state and local levels.
- Develop a plan for oversight and monitoring of eventual plan implementation.

## INTRODUCTION



### Why Preschool is Imperative

***All children in Asheville and Buncombe County deserve a high-quality preschool experience.***

Expanding access to high-quality preschool is imperative for Asheville and for Buncombe County for many reasons. The benefits of ensuring a high-quality preschool experience add up not only for individual children, but for their families, communities and the economy in our area.

- **For children**, high-quality preschool helps them become more successful in their educations and throughout adulthood. The early years in a child's life, when the brain is developing and forming connections most rapidly, represent a critical window of opportunity to develop a child's full potential – socially, emotionally, cognitively, and academically. In addition to providing key early building blocks that help children thrive in school and close the achievement gap, a high-quality early childhood education experience means children are more likely to attain a college degree, hold a well-paying job, own a home, be healthy, and avoid the criminal justice system.<sup>1</sup> The impact of high-quality preschool in North Carolina was recently borne out in a Duke University study of the state's NC Pre-K program, that found that investments in high-quality early care and education programs deliver benefits through fifth grade.<sup>2</sup> In addition, an earlier study showed that access to early education reduced special education placements in third grade by 39%.<sup>3</sup>
- **For families**, high-quality preschool programs can provide peace-of-mind for working adults and help cut down on workplace absences. For many families, access to preschool is absolutely essential for parents or other caregivers to participate in the workforce at all. In addition, preschool facilities often function as hubs for community health and the early identification of developmental and physical health issues. They help enhance parenting skills by bringing families into contact with resources that can support parents earlier in their child's development. And, they help facilitate a smoother transition to kindergarten for both children and families.

<sup>1</sup>Rand Corporation: Informing Investments in Preschool Quality and Access in Cincinnati; Evidence of Impacts and Economic Returns from National, State, and Local Preschool Programs, Lynn Karoly and Anamarie Auger, 2016

<sup>2</sup><https://today.duke.edu/2016/11/early-childhood-spending-benefits-dont-fade-away-nc-study-finds>

<sup>3</sup><https://thejournal.com/articles/2015/02/09/early-childhood-programs-reduce-need-for-special-ed.aspx>



- **For communities**, high-quality preschool programs help save money over the long term because they reduce high school dropout rates, special/remedial education costs, discipline issues, medical costs, as well as costs for law enforcement, courts, and incarceration. Court system and law enforcement officials across the country support expanded early childhood education programs as a means of reducing future crime rates. In addition, preschool programs help produce a more prepared citizenry and workforce. This results in increases in earnings and revenues for communities, and decreases the costs of social services and healthcare.<sup>4</sup> Nobel Prize winning economist James Heckman estimates that for every \$1 spent on high-quality preschool for 3- and 4-year-olds, communities save \$7 in long-term costs for things like remediation, social supports, and criminal justice.<sup>5</sup> This return jumps to \$13 dollars for every \$1 spent on high-quality birth-to-five programs for disadvantaged children.
- **For local economies**, high-quality preschool programs help produce a better educated, more stable workforce and safe, vibrant communities that can attract top talent and consumers. Economists at the Federal Reserve found that compared to other kinds of state investments that are considered as “economic development,” investment in early education yields a far greater return.<sup>6</sup>

**Clearly, the benefits of providing high-quality preschool are well worth the associated costs. The challenge is to create out an achievable way to secure these benefits for our children, families and community in Asheville and Buncombe County.**

### The Work of the Asheville-Buncombe Preschool Planning Collaborative (ABPPC)

ABPPC is a voluntary collaborative that came together in 2015 to figure out a way to make this a reality. Members of ABPPC include representatives from education, nonprofits, government and business who are volunteering their knowledge and resources to explore high-quality preschool expansion in our community. Thirty-five individuals representing 20 local organizations have participated in the collaborative so far.

Our ultimate vision is to ensure that every child age birth to five in Asheville and Buncombe County has access to high-quality, affordable early care and education. However, we realize that this is an incredibly large undertaking that will require enhancements to a number of systems and structures that are currently in place. Therefore, over the next five years, we are ***focused on increasing access to affordable, high-quality preschool for 3- and 4-year-olds in Asheville and Buncombe County, with a priority on children and families who are currently experiencing the greatest barriers to access.***

We are focusing on 3- and 4-year-olds within the 0-5 age range because we believe a preschool effort is currently the most fiscally viable, and is a logical “next step upstream” from existing kindergarten systems. By producing more access to high-quality preschool, we also will assure seats for future preschoolers as 0-3 investments continue to gain traction. As we achieve success, we hope to build on this work to support families with children ages birth to three.

#### ABPPC

Long-Term Vision: To ensure that every child age birth to five in Asheville and Buncombe County has access to high-quality, affordable early care and education.

Current Purpose: Within the next five years, our purpose is to increase access to affordable, high-quality preschool for three- and four-year-olds in Asheville and Buncombe County, with a priority on children and families who are currently experiencing the greatest barriers to access.

The work to expand preschool is our pilot effort. As we achieve success, we will build on this work to support families with children ages birth to three.

<sup>4</sup>Rand Corporation: Informing Investments in Preschool Quality and Access in Cincinnati; Evidence of Impacts and Economic Returns from National, State, and Local Preschool Programs, Lynn Karoly and Anamarie Auger, 2016

<sup>5</sup><https://heckmanequation.org/>

<sup>6</sup><http://www.ncsl.org/research/human-services/new-research-early-education-as-economic-investme.aspx>

ABPPC currently includes five Work Groups, focusing on Research, Quality Model Design, Workforce Development, Funding Model, and Communications. Our work is taking place in four phases (see illustration).

Since we first met together in 2015, these groups have worked to **study the current state of preschool** in Asheville and Buncombe County, **learn from successful programs** in other states, **design an approach** for the expansion of high-quality preschool seats, **educate key stakeholders and secure community engagement** in our process, and **offer recommendations** to make expansion a reality. **This report summarizes our work to date, and lays out next steps that we will continue to pursue over the next year and beyond.**



### Existing Context: The Current Need and Climate

Data gathered by ABPPC’s Research Work Group show that the need for high-quality preschool is in a near-crisis state. Results from an ABPPC survey of more than 600 Buncombe County families show that the demand is high for pre-school programs that will allow parents to work, knowing that their children are receiving care that is safe, developmentally appropriate, and stimulating the physical, cognitive and social/emotional growth that is so critical in a child’s early years.

Our key findings include:

- As of July 2017, we estimate that approximately 6,100 three- and four-year olds live in Buncombe County, including Asheville.<sup>7</sup> Roughly 29% of these children live in poverty.<sup>8</sup>
- In 2016, only 1,113 four-year-olds and only 990 three-year-olds were enrolled in licensed early care and education programs. That’s 2,103 children, and only about one-third of the eligible preschool population.
- Of the existing 89 licensed early care centers in Buncombe County, 82% (73 centers) currently hold a 4- or 5-star rating from the state, indicating their commitment to high quality. Seven of the County’s 25 licensed family child care homes hold 4- or 5-star ratings.<sup>9</sup>
- 91% of survey respondents to ABPPC’s family survey need or want preschool for their children.<sup>10</sup>
- More than 82% of parents want preschool so that their children can have social experiences and learning experiences with children their age.<sup>11</sup>
- More than two-thirds of parents want access to preschool so that they can work. Nearly 18% want access to preschool so they can go to school.<sup>12</sup>
- The majority of parents (59.5%) need or want preschool that is full-time (8+ hours/day), either year-round (34.5%) or during the school year (25%).<sup>13</sup>
- 71.5% of parents have not sent children to preschool because it is too expensive.<sup>14</sup>
- 42.5% of parents have not sent children to preschool because they cannot find a program with an opening.<sup>15</sup>

<sup>7</sup>North Carolina Office of State Budget and Management, July 1, 2017. Data is a projection.

<sup>8</sup>Child Care Service Association, Durham, NC, March 2016

<sup>9</sup>North Carolina Division of Child Development and Early Education, 2015

<sup>10</sup> Ibid.

<sup>11</sup> Preschool/Child Care Family Survey, Asheville Buncombe Pre-School Planning Collaborative, January-February 2017.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

The need for high-quality preschool remains evident throughout K-12 schools in Asheville City and Buncombe County, where the achievement gaps between white students and students of color are among the widest in the state.<sup>16</sup> While high-quality preschool isn't the only solution to closing the gap, it is one of the most important ways to ensure all students enter kindergarten ready and eager to learn, and equipped with the basic knowledge and skills to reach critical academic milestones, such as reading proficiency by third grade.

This need is not confined to Buncombe County. Other communities across the state are currently exploring their own ways to increase preschool access and quality. For example, a task force in Durham recently proposed recommendations to fund city-wide pre-K for all four-year-olds from low-income families. In Forsyth County, a movement is underway to fund universal pre-K as well.

Across the country, a number of states have adopted universal pre-K including Alabama, Florida and Oklahoma. The budget passed in North Carolina's 2017 General Assembly session includes funding for expanding the state's nationally recognized NC Pre-Kindergarten (NC-PreK) program. Federal education policy in the Every Student Succeeds Act (ESSA) also provides more emphasis on early education and additional flexibility for states to invest more in preschool programs. As of this writing, there is a statewide effort in North Carolina to align early childhood education with K-3rd grade through the North Carolina Pathways to Grade Level Reading initiative.

Locally, preschool providers in Asheville and Buncombe County are facing significant barriers to improving the quality of their programs or expanding the number of children they serve. Preschools (and all child care providers) operate on extremely low margins that make sustaining their operations an ongoing challenge. Public funding from federal and state sources does not cover the full cost of providing high-quality preschool and is not enough for providers to meet ever more stringent program requirements and licensing regulations. In addition, Buncombe County receives a lower child care subsidy reimbursement rate for high-quality preschool slots than other counties in the region.

Our county's preschool workforce also faces significant challenges. Teacher education standards have become more rigorous, yet there are not enough qualified preschool teachers entering the workforce to meet those high-quality standards. The current pipeline to recruit and train them needs to be strengthened and expanded. Those who do teach preschool earn very low wages – which contributes to high levels of staff turnover.

While providers in our area embrace the desire to provide the best quality for children, they consistently struggle to find the necessary resources.

## **Momentum is Growing**

### **Despite the challenges, momentum is growing in Asheville and Buncombe County to expand access to high-quality preschool.**

- Asheville City Schools has added 3 new preschool classrooms over the past three years and now serves a total of 180 children.
- Buncombe County is providing funding for a new preschool classroom at Johnston Elementary in partnership with Head Start to serve an additional 18 children in the 2017-18 school year.
- Buncombe County is providing in-kind use of a child care facility to Eliada Homes, allowing that organization to provide child care to an additional 28 preschool children (and 32 younger children), starting in the 2017-18 school year.

The time is right for creating a constructive plan for preschool expansion that not only builds on and aligns existing assets but also cultivates new investment.

<sup>16</sup> Achievement gap racial equity data is available at <http://youthjusticenc.org/our-work/racial-equity-report-cards/>

## EXPANDING ACCESS TO HIGH-QUALITY PRESCHOOL



### Building From Existing Assets

Many of the current providers in Buncombe County are considered high quality, achieving 4- and 5-star ratings from the North Carolina Division of Child Development and Early Education. These programs do great work, and we need many more programs like them. ABPPC looked at ways to build on the solid foundation currently provided by private child care centers, Head Start, NC Pre-K, family child care homes, and our public schools. In particular, we focused on developing recommendations that will:

- Increase enrollment among children facing barriers.
- Leverage existing effective programs, such as NC Pre-K program sites and the many four- and five-star rated preschool providers.
- Build on an existing system to provide options for families with a range of locations, schedules, and programming that meets their varied needs.
- Simplify and streamline the process of finding, enrolling and participating in preschool, as well as transitioning to kindergarten.
- Encourage providers to increase quality.
- Expand access to high-quality preschool in the most cost-effective ways possible.

## Recommended Preschool Quality Requirements

Given that NC Pre-K is considered a “gold standard” for preschool quality and has a proven track record for effectiveness,<sup>17</sup> we considered the possibility of simply working to expand this program throughout Buncombe County. However, there are several factors at work in our county that make NC Pre-K expansion impractical at this time. Too many providers in our community do not have resources to meet NC Pre-K requirements (particularly the licensing requirement for preschool teachers), and the current state reimbursement rate for NC Pre-K does not cover the full cost of care. Instead, we recommend a model that will help local providers address barriers to high quality and provide the flexibility for them to improve and expand their high-quality offerings. Ultimately, this could provide an opportunity for more providers to move into the NC Pre-K program.

The Asheville-Buncombe Preschool Quality Model offers recommendations for what expanded high-quality preschool should “look like” in our community. This model intentionally includes a place for private and public providers, as well as families, companies and government agencies, all working together to create a network that leverages and expands the preschool options for Asheville-Buncombe families.

There are several overarching elements of high quality that drive our model, based on evidence-informed research. Overall, we believe that any preschool experience should be rooted in teacher-child relationships, leverage strong collaborations, be trauma-informed and resiliency focused, employ a flexible and diverse evidence-informed program, and take a holistic approach.

In addition, our recommended model includes four aspects that are designed to address the specific conditions that currently exist in our community:

- 1. Tailored high-quality standards.** Our proposed program model is based largely on the NC Pre-K standards for quality, but includes flexible high-quality standards that allow providers who do not qualify for NC Pre-K to participate in local expansion efforts.
- 2. A clear path forward for providers.** The model offers a clear pathway for providers who want to expand, including a two-tiered approach with entry level and goal level standards. Programs wishing to expand that do not meet the goal level standards will have time to ramp up and meet those standards.
- 3. A focus on the workforce.** Buncombe County is in the midst of a preschool workforce crisis. Delivering high-quality preschool means elevating the status of and improving working conditions and career prospects for qualified preschool teachers. Therefore, our planning process includes a strong workforce development component.
- 4. Sharing services.** In order to build providers’ capacity to offer a range of services that they are currently unable to offer, our goal is to develop options for shared services. Recognizing that many children throughout Buncombe County are experiencing food insecurity, we are prioritizing nutrition as a shared service. (There currently is no shared service model in Asheville or Buncombe County, so achieving this goal may take more time than other aspects of the model.)

NOTE: The following model includes several industry terms and acronyms, marked with a “\*”. For clarification of these terms, please see the Glossary of Terms in Appendix 2.

<sup>17</sup> *Impact of North Carolina’s Early Childhood Programs and Policies on Educational Outcomes in Elementary School*, Duke University, Center for Child & Family Policy, Kenneth Dodge, Yu Bai, Helen Ladd, Clara Muschkin, 11/2016.

## Asheville-Buncombe Preschool Program Quality Requirements

|   | Entry Level Requirements   | Goal Level Requirements  |
|---|--|--|
| <b>Early Care &amp; Education (ECE*) Program Requirements</b>   |  |  |
| Star-Rated License<br>(A star-rated license from the NC Division of Child Development and Early Education (DCDEE*) ensures safety and health standards are met; that staff hold specific educational levels, and the overall program is providing necessary activities for children.) | 4★   | 5★   |
| Center Director   | Level 2 NC Early Childhood Administrative Credential   | Level 3 NC Early Childhood Administrative Credential   |
| Nutritional Services  | Follow licensing requirements  | Follow licensing requirements; Meals and snacks provided   |
| Length of preschool program   | Various options based on needs of the family: full day-year-round, school-day year-round, school day-school year, part-time year-round, etc.   | Various options based on needs of the family: full day-year-round, school-day year-round, school day-school year, part-time year-round, etc.   |
| <b>Preschool Classroom Requirements</b>   |  |  |
| Child Eligibility   | Children who turn three or four years of age by August 31st and are residents of Buncombe County (exception for homeless children). <i>The age requirement is based on NC law for Kindergarten age entry.</i>                                    | Children who turn three or four years of age by August 31st and are residents of Buncombe County (exception for homeless children). <i>The age requirement is based on NC law for Kindergarten age entry.</i>  |
| Child Attendance  | Children attend minimum of 85% of monthly operating days   | Children attend minimum of 90% of monthly operating days   |
| Staff: Child Ratio, Class Size: Center  | 1:9 (one teacher to nine children)<br>18 Maximum children per classroom  | 1:9 (one teacher to nine children)<br>18 Maximum children per classroom  |
| Staff: Child Ratio, Class Size: Family Child Care Home (FCCH)*  | 1:5 (one teacher to five children)<br>3 preschool aged children minimum  | 1:5 (one teacher to five children)<br>3 preschool aged children minimum  |
| Lead Teacher  | Must hold an Early Educator Certificate: Level 6<br>(Associate's degree plus or including at least 12 birth-to-five focused semester hours or 45 semester hours of general education including at least 18 birth-to-five focused semester hours) | Must hold an Early Educator Certificate: Level 11<br>(Bachelor's degree plus or including at least 18 birth-to-five focused semester hours or Master's degree plus or including at least 12 birth-to-five focused semester hours) OR NC Birth-Kindergarten or Preschool Add-on teacher licensure |

|  |   |   |
|--|---|---|
| <p>Teacher Assistant</p>                     | <p>Must hold an Early Educator Certificate: Level 2<br/>(18 semester hours of general education including at least 4 birth-to-five focused semester hours or Early Childhood Certificate or Child Development Associate Credential (CDA) earned for at least 12 semester hours or 12 birth to five focused semester hours)</p> <p>Alternative Entry Level for Teacher Assistants: High School students who graduate from a school with an early child care program and who complete Early Childhood I and Early Childhood II, including an internship in a 4- or 5-star preschool classroom, with a grade of B or higher in both courses, can be considered entry level as long as they are enrolled in ECE college coursework. (Locally, this applies to Reynolds, Erwin, Roberson &amp; Asheville High Schools, as well as some Madison and Henderson County high schools.)</p> | <p>Must hold an Early Educator Certificate: Level 6<br/>(Associate's degree plus or including at least 12 birth to five focused semester hours or 45 semester hours of general education including at least 18 birth to five focused semester hours)</p>              |
| <p>Director as Teacher</p>                   | <p>Allowed, plan must be in place for daily out-of-classroom time for classroom planning and administrative duties.</p>   | <p>Centers: Center director may not serve as full time lead or assistant teacher<br/>FCCH*: Same as entry level requirements</p>  |
| <p>Professional Development Requirements</p> | <p>Administrators and teachers will develop an annual <i>Individual Professional Development and Coaching Plan</i>.</p> <p>Professional development will be based on individual teacher and programmatic needs, but must include the following topics within collaborative-model agreed upon timeframes: SEFEL*, trauma/resiliency, curriculum implementation, learning readiness for Kindergarten, and child-centered guidance. The CLASS* tool will be used in classroom support and coaching.</p> <p>Year 1: Formative Assessment*, Curriculum, and Family Engagement best practices (if new to the program)</p> <p>Year 2 and ongoing: Program choice from menu of collaborative suggested topics above based on program need.</p>  | <p>Same as entry level.</p> <p>At goal level, all program staff who have contact with the classroom (education support staff, floaters, etc.) will participate in the development and implementation of an Individual Professional Development and Coaching Plan.</p> |
| <p>Preschool Curriculum*</p>                 | <p>Use of a NC DCDEE* state-approved, evidence-based curriculum</p>   | <p>Use of a NC DCDEE* state-approved, evidence-based curriculum</p>   |

|   |  |  |
|---|--|--|
| Formative Assessment*   | Teaching Strategies Gold (TS Gold) – this evidence-based tool and training on how to use the tool will be provided if not already being used by the teaching staff. (TS Gold aligns with the NC Kindergarten Entry Assessment tool.) | Teaching Strategies Gold (TS Gold) – this evidence-based tool and training on how to use the tool will be provided if not already being used by the teaching staff. (TS Gold aligns with the NC Kindergarten Entry Assessment tool.) |
| Developmental Screening*  | Use of a NC DCDEE* state approved tool for each child upon entry to program  | Use of a NC DCDEE* state approved tool for each child upon entry to program  |
| Kindergarten Transition planning  | Provide Kindergarten registration information to families  | Provide Kindergarten registration information to families  |
| Family Engagement   | Year 1: One family conference per year and optional off-site family visits per year<br><br>Year 2: Two family conferences per year and one off-site family visit per year<br><br>Year 3: Same as Goal Level                          | Two family conferences per year and a minimum of two off-site family visits per year   |
| <b>Continuous Quality Improvement:</b> (Assessments will be used to inform professional development planning and program evaluation; specific benchmarks to be determined in Phase III)   |  |  |
| Program: Leadership & Administration  | The Parents & Staff Subscale of the Early Childhood Environment Rating Scale Revised (ECERS-R*) for Centers; Family Child Care Rating Scale (FCCERS*) for Family Child Care Home.  | Program Administration Scale (PAS*) (BAS: Business Administration Scale for FCCH*)   |
| Classroom: Teacher-child interactions   | NC Educator Effectiveness System (a modified version with a few outcomes identified; to be determined in Phase III)  | NC Educator Effectiveness System   |
| Child   | Teaching Strategies Gold   | Teaching Strategies Gold   |
| <b>Opportunities for Shared Services:</b> Centralized support structure to assist programs (especially smaller centers & FCCHs) with provision of services such as a meal program, child screenings, kindergarten transition planning, human resources, technical assistance and coaching, family services, nutrition, transportation, professional development opportunities, a substitute teacher pool, and group buying power. |  |  |



## Preschool Workforce: A Critical Need

Asheville and Buncombe County currently do not have the qualified workforce needed to expand high-quality preschool as defined in the model above. There is a downward trend in the number of people entering the early education field. Therefore, a stronger and expanded career pipeline for the field of early education is necessary in order to increase the number of trained teachers entering the profession who are able to meet the needs of children from different socio-economic and racial/ethnic backgrounds.

Creating a qualified workforce includes access to higher education. Locally, there are limited opportunities for early educators to pursue higher education. There is no Early Childhood Education program at UNCA. The articulation agreement between AB Tech and Western Carolina University is burdensome to students because limited credits transfer between programs (although recent legislation will increase the transfer of credits). And many early educators simply cannot afford the cost of higher education.

Even preschool educators who pursue higher degrees find themselves faced with the prospect of low wages. Poor compensation is an overarching challenge in the early childhood field. In NC in 2016, 39% of early educators qualified for some form of public assistance. Our community must address the issue of low wages and the need for higher education in order to professionalize the field and make early childhood education a viable career. Therefore, our cost model (see page 17) includes the cost of higher wages and professional development.

As our work progresses, we will need to explore opportunities to work with AB Tech, Mars Hill University, UNC-Asheville, the state's NC Works program, and others to increase higher education opportunities for early educators in our community. Ultimately, we will need to create a clear professional development pathway for early childhood educators. In addition, we'll need to increase awareness within the local early childhood education field about the regional and distance-learning programs available, the enhanced transfer of college credits, and programs that specifically support early educators pursuing higher education, such as the TEACH and WAGES programs.

Further, we will need to elevate the importance of early childhood educators in the minds of our community. As some of our children's first teachers outside the home, early childhood educators are trained professionals with knowledge and skills that play a large role in developing young minds, supporting parents and engaging the community.

Our community must address the issue of low wages and the need for higher education in order to professionalize the field and make early childhood education a viable career.

## FUNDING INCREASED ACCESS TO HIGH-QUALITY



### How Preschool Funding Currently Works in Buncombe County

Currently, families can pay up to \$10,200 per year for full-day, full-year preschool in a 4- or 5-star program for one four-year-old. This does not reflect the true cost of care to providers, and that many slots for preschool cost less for families because they are subsidized through federal and state programs.

Primary funding for preschool programs in Buncombe County comes from three main sources: federal, state and private dollars. Preschool providers often tap into multiple sources of funding to sustain their operations and serve families in need. However, it is important to remember that public dollars do not serve all children (like they do in our K-12 school system), and there is not enough public funding to reach all children who are eligible. In addition, subsidized funding sources are not always stable, creating additional fiscal stress for program providers and families.

- At the federal level, Head Start provides funding for very-low-income 3- and 4-year-olds. However, the very low income threshold for this program leaves many low-income working families ineligible. Other sources of federal funding include limited (and decreasing) amounts of Title 1 funds, which are used by Asheville City Schools to support their preschool classrooms.
- North Carolina's highly acclaimed, state-funded NC Pre-K program provides support for families at a slightly higher income level, but funding is not available to serve all families that qualify. In addition, the requirements for providers can be prohibitive, leading to a lack of available preschool slots funded by NC Pre-K.
- The state also funds child care subsidies by providing vouchers for working families, but there is often a waitlist for vouchers and they only cover a portion of expense for families. Historically, the subsidy reimbursement rates for Buncombe County have been significantly lower than other counties (such as Orange & Durham Counties) despite the fact that the licensing requirements are the same for all counties and Asheville City has a high cost of living. Starting in October 2017, the subsidy reimbursement rate for 0- to 2-year-olds is increasing. While this is progress, there is still a great deal of work to be done.

- Developmental day programs for children with disabilities receive funding from the State Board of Education to assist in providing special education and related services.
- Paying for preschool out of pocket is an option for higher-income families, but even those who can afford the cost of high-quality preschool are often stymied by a shortage of available spaces.
- Families making a moderate income do not qualify for Head Start, NC Pre-K or child care vouchers, and cannot afford the cost of private preschool, leaving them struggling to find safe and supportive solutions for their children.

**For a more detailed explanation of funding sources, please see Appendix 3: Subsidized Child Care Resource Guide.**

Despite the various sources of public funding, reimbursement rates for preschool are consistently less than the true cost to deliver the service. Providers must constantly work to fill the gaps with private grants and gifts, and charge higher private-pay rates for families.

### Estimated Costs to Expand Access

The ABPPC Funding Work Group explored a number of factors related to the cost of providing high-quality preschool. They created the following cost models to fund: 1) full day, full year slots; 2) school day, full year slots; 3) school day, school year slots; and 4) family child care homes.

The Work Group calculated the start-up cost for new classrooms, a separate cost in addition to the per-child slot cost. It then compared the cost per slot with other studies and reimbursement rates. Finally, it examined the population of available children for a total Buncombe County program cost. (See Cost Calculation Tables 1-3 in Appendix 4 for complete detail.) In determining the number of children likely to enroll in expanded preschool, the Funding Model Work Group used a benchmark of 70% of all eligible 4-year-olds (and some 5-year-olds that would still be in preschool), and 64% of all eligible 3-year-olds. In Buncombe County, that equals 1,778 children.

The following cost projection is based on direct costs associated with providing additional preschool spots. The cost for full program administration, implementation, recruitment and outreach, single portal of entry for applications, shared services, monitoring, and formal evaluations are not included in this estimate.

Currently, we estimate the **average annual per child slot cost** of expanding high-quality preschool to be the following:

| FULL DAY, FULL YEAR |            | SCHOOL DAY, FULL YEAR |            | SCHOOL DAY, SCHOOL YEAR |            | FAMILY CHILD CARE HOME |            |
|---------------------|------------|-----------------------|------------|-------------------------|------------|------------------------|------------|
| ENTRY LEVEL         | GOAL LEVEL | ENTRY LEVEL           | GOAL LEVEL | ENTRY LEVEL             | GOAL LEVEL | ENTRY LEVEL            | GOAL LEVEL |
| \$9,697             | \$10,774   | \$6,711               | \$7,470    | \$5,650                 | \$6,296    | \$6,296                | \$6,384    |

Using these per-child figures, we estimate the **average annual per classroom slot cost** of expanding high-quality preschool to be the following, (based on 18 children per class, 5 children per family child care home):

| FULL DAY, FULL YEAR |            | SCHOOL DAY, FULL YEAR |            | SCHOOL DAY, SCHOOL YEAR |            | FAMILY CHILD CARE HOME |            |
|---------------------|------------|-----------------------|------------|-------------------------|------------|------------------------|------------|
| ENTRY LEVEL         | GOAL LEVEL | ENTRY LEVEL           | GOAL LEVEL | ENTRY LEVEL             | GOAL LEVEL | ENTRY LEVEL            | GOAL LEVEL |
| \$174,546           | \$193,932  | \$120,798             | \$134,460  | \$101,700               | \$113,328  | \$31,480               | \$31,920   |

When compared to the **average per-child cost of other existing preschool programs**, the high-quality model proposed by ABPPC is more expensive than some, but less expensive than NC Pre-K and a better value than some programs that offer only school-year or part-day options.

### How Does ABPPC’s Proposed Average Annual Per-Child Cost Compare to Other Preschool Programs?

| Comparison for Full Day, Full Year (unless otherwise noted) |  |
|---|--|
| ABPPC - Centers   | \$10,774                                     |
| ABPPC – Family Child Care Homes                             | \$6,384                                      |
| Subsidy - Centers, 4-star                                   | \$6,744                                      |
| Subsidy - Centers, 5-star                                   | \$7,332                                      |
| Subsidy - Family Child Care Homes, 4-star                   | \$5,964                                      |
| Subsidy - Family Child Care Homes, 5-star                   | \$6,384                                      |
| Head Start  | \$14,000 (school day, school year only)      |
| Developmental Day   | \$10,000 (school day, school year only)      |
| Buncombe NC Pre-K   | \$3,000-6,500 (school day, school year only) |
| NC Pre-K Cost Study   | \$11,300                                     |
| Durham’s Universal Pre-K estimate                           | \$12,000 (10 months, 6.5 hours)              |
| Forsyth Universal Pre-K estimate                            | \$8,400 (10 months, 6.5-8 hours)             |

What does this mean in terms of total annual cost for Asheville and Buncombe County? Based on a projection of eligible children current unserved in preschool programs, **we estimate the maximum annual cost of providing slots for 70% of available 4- and 5-year-olds and 64% of available 3-year-olds not currently enrolled in preschool (1,778 children) to be \$19,159,022 per year.**

### How Much Will it Cost to Serve 1,778 Children?

| (Based on 70% of available 4- and 5-year-olds; 64% of available 3-year-olds) |               |                    |
|--|---------------|--------------------|
|  | Cost Per Slot | Cost for All Slots |
| NC Pre-K Cost Study rate, school day school year                             | \$9,126       | \$16,228,574       |
| NC Pre-K Cost Study rate w/ expanded cost for full day, full year            | \$11,300      | \$20,094,553       |
| ABPPC Full Day, Full Year – Goal Rate  | \$10,774      | \$19,159,022       |

In addition to added slots in existing classrooms, expanding preschool likely will require adding additional classrooms throughout the county. New classrooms come with startup costs to prepare the space, hire and train new teachers, secure appropriate supplies, etc. **We estimate the average start-up cost of each new preschool classroom to be approximately \$24,000.**

This cost model is based on maximum costs, based on the numbers of 3- and 4-year-olds (and eligible 5-year-olds) identified who are not currently attending a preschool program. As our work continues and we further determine a) which children or areas in the county are prioritized, b) how many providers will be willing to expand, and c) whether funding should apply only to new slots or also to existing slots in programs that are working to become high quality, we will be able to more accurately predict real costs. In addition, a sliding fee scale for family payments, if implemented, could lower overall funding needs.

Further, our proposed cost and funding analysis does not address funds for preschool seats that are currently funded by a combination of Head Start and NC Pre-K funds, nor those providing supplemental payments for existing NC Pre-K slots. Part-day and wrap-around care models were identified as important by families who took our survey, but ABPPC has not yet created cost models for these services.

## Potential Strategies for Funding Expansion

When some people talk about “universal pre-K,” they refer to a system in which all preschool seats are funded with public monies. Often, the majority of those seats are incorporated into a community’s public school system, as with kindergarten. While this structure may eventually prove sustainable, we believe that expanding high-quality preschool will require the participation of both public and private providers, and that funding for expanded preschool access must come from a mix of public and private sources. Public sources can include federal, state and local funds. Private sources can include support from the business community, philanthropy, and from fees paid by families on a sliding scale.

The Funding Model Work Group researched a number of local funding options suggested by the NC Early Childhood Foundation’s Financing Toolkit. A matrix of options and recommendations was created for further exploration (see Table 4 in Appendix 4). These potential sources of local funding include appropriations at the county and city levels; the passage of a dedicated local sales tax, property tax or hotel room tax; special tax districts; special use fees; tax credits; grants and loans; and the use of social impact bonds (also called Pay-For-Success bonds). Social impact bonds use initial investments from private sources (usually foundations and large corporations) to prove that a particular approach to a social issue can deliver return on investment – at which point the investment is assumed by public dollars.

### **As the work of ABPPC moves forward, we will seek to identify the most likely sources of funding and strategies for seeking those funds.**

In considering a funding plan, we anticipate that there will be increased state and federal funding for early childhood development programs, particularly preschool. Early childhood development is one of the few issues to enjoy bipartisan support among voters and elected officials. For example, in the past year alone Congress has:

- Reauthorized the Children’s Health Insurance Program (CHIP) and the Maternal, Infant, and Early Childhood Home Visiting program (MIECHV);
- Included support for early childhood education in the Every Student Succeeds Act (ESSA), which also authorizes Preschool Development Grants for states; and
- Appropriated nearly \$1 billion in new money for Head Start and Early Head Start.

At the state level, following recession-driven, across-the-board reductions in early education spending that bottomed out in 2011, the NC General Assembly has restored more than \$20 million in recurring, early education investment since 2014. In the 2017 legislative session, the General Assembly increased NC Pre-K funding by \$27.3 million and child care subsidy funding by \$30 million.

By proceeding with the expansion of high-quality preschool programs at the local level now, Asheville and Buncombe County will be prepared to take advantage of additional public investment in the future, as funds become available at the state and federal levels.

Expanded preschool access must come from a mix of public and private sources. Public sources can include federal, state and local funds. Private sources can include support from the business community, philanthropy, and from fees paid by families on a sliding scale.

## EVALUATION

The ability to collect unified local data on the children served, access set benchmarks and track indicators is critical to the success of preschool expansion and our community's ongoing investment in it. As we move forward with our work, we will design an evaluation component that will ensure data is shared with funders, local education agencies, and program administrators. It will be used from the onset of expansion to ensure ongoing accountability. Data will also be used to guide teaching approaches in the classroom.

One option for developing our evaluation measures is the North Carolina Pathways to Grade-Level Reading Measures of Success Framework.<sup>18</sup> This includes measures of early language development, social/emotional health, attendance, or kindergarten readiness, for example.

## COMMUNITY OUTREACH AND ENGAGEMENT

ABPPC recognizes that expanding access to high-quality preschool cannot happen unless the people of Asheville and Buncombe County understand the importance of preschool and have the public will to support investment in it. To this end, we have maintained outreach efforts to key influencers and decision makers, and have expanded that circle of outreach as our work has progressed. We created a website ([abppc.org](http://abppc.org)) and key messaging to guide our efforts.

ABPPC's communication efforts will become more and more important as we begin to engage the community more deeply. Broadening our outreach will be a critical part of our work going forward. We will need to engage in a robust public awareness and engagement campaign throughout the county about the importance of preschool and the crisis that exists in our community. We will need to make the case for preschool and elevate the realities and solutions that are achievable. Then, we will need to actively build public will to support public and private investments in preschool expansion.

We have much to accomplish, and are working to develop a formal communications plan that supports our activities surrounding community engagement. We will seek to engage the commitment of a public relations firm or individual professional to develop our ongoing outreach campaign.

- Locally, we will rally support and action among a wide range of community members as advocates for investment, and cultivate relationships with state and local policymakers to encourage their support for investment as well.
- At the state level, we will make strong connections between the work here in Buncombe County and the other initiatives throughout North Carolina that are building the momentum in support of preschool state-wide. This will allow us to help increase the likelihood of state-level support, and help build broader will to support preschool expansion statewide.

There are many individuals across the county who can serve as great champions for our efforts, provided we keep them abreast of our work, informed of the data we are using, and familiar with our key messages. One-on-one communication with these individuals will allow us to build the rapport and buy-in they will need to help carry our work forward.

<sup>18</sup><http://buildthefoundation.org/wp-content/uploads/2017/06/Pathways-Measures-Book.pdf>

Clearly, the benefits of providing high-quality preschool are well worth the associated costs.



## NEXT STEPS

As the work of ABPPC moves into the next phase, we have identified many questions to explore and next steps required to achieve increased access to high-quality preschool for our community's children and families. ***To inform our work, we will review the recommendations in this report with a broad swath of our community — from key influencers to end-users — to gather their perspectives, thoughts, concerns and hopes.*** This phase will take many months to accomplish, but it is imperative to our community's full investment in expanded access to high-quality preschool.

As we conduct our review and continue to refine our recommendations into a formal expansion plan, we will:

- **Apply a racial equity lens to our work.** We believe this effort can contribute to closing racial gaps in literacy, health, and education achievement that persist in our county for African-American, Latino, and other populations. As a community, we must incorporate a racial equity lens to inform all decision-making processes for preschool expansion. We will gather more information about racial and ethnic access to preschool, utilization of preschool, and child outcomes. For every decision, we will consider the impact – intended and unintended – on all racial and ethnic communities in Asheville and Buncombe County.
- **Determine priority populations for initial expansion.** Because it is unlikely that a county-wide expansion effort will secure upfront funding for full-scale expansion, we must determine which populations of children and/or which areas of the county are currently experiencing the greatest barriers to access. From our survey work, we know that the most common barriers are cost and availability of space. However, we also know that other factors, such as developmental delays, also play a role in need. Based on the priority populations we identify, we may need to address additional services related to providing high-quality preschool.
- **Further define provider eligibility.** Expanding access to high quality might take place in several ways: by adding new seats at existing or new high-quality providers, by filling empty seats at high-quality providers, or by enhancing the quality of existing seats at providers that wish to become high quality. We will need to consider the cost and viability of all options. A solid preschool expansion plan will need to clarify which types of expansion are expected and which will be prioritized in terms of funding.
- **Determine provider capacity to expand.** Adding new preschool seats will require significant resources on the part of providers. Some may have existing space and staff capacity to support incremental growth. Others will need to essentially “start from scratch” and will face start-up costs in doing so. As part of our ongoing work, we will need to expand on the initial provider survey we conducted to obtain a thorough analysis of facilities that could house new preschool classrooms that are either currently available or could be available with some upfit or accommodation.
- **Create a timeline for implementing the quality model and workforce development goals.** This should include a timeline for providers to advance from entry level to goal level status, and for teaching staff to achieve the requirements within each of those levels.
- **Build out the necessary supports** for quality improvement and professional development, including coaching, paid planning time, stipends and other supports, and a salary/benefit schedule.



- **Address workforce issues**, including low wages, the need for professional development for existing early childhood educators in preschools, and the lack of a clear education pathway for those who wish to enter the field. In doing so, we also must explore ways to elevate early childhood educators as skilled professionals who play a vital role in our community.
- **Research shared services options** and determine prioritization of services to be offered and how they will be offered. Nutritional services will be the first shared services investigated.
- **Identify and mitigate the chances for unintended consequences.** Moving forward with a preschool expansion is exciting, but should not create hardships for others in the birth-to-five spectrum. For example, under no circumstances should the expansion of high-quality preschool come at the expense of care available for infants and toddlers. And under no circumstances should an effort to secure funds for a preschool expansion take existing funds away from current providers. With this in mind, ABPPC will continue to move forward with an eye toward unintended consequences in order to prevent doing harm in the name of good.
- **Establish goals and benchmarks for implementation.** To show progress and return on our community's investment in preschool, we will need to establish concrete goals and report regularly on our progress toward them. These goals may relate to the number of new preschoolers served, the number of new centers or family child care homes, or other such measures.
- **Develop a plan for evaluation to show the impact of preschool expansion.** Expanding access to preschool will require a significant ongoing investment, and we will need to be able to show outcomes for the children who take advantage of them. For example, we might measure number of children scoring at or above proficiency on the developmental continuum throughout their preschool year, number of children scoring at or above proficiency on kindergarten entry assessments, or other factors.
- **Further refine our cost models and begin feasibility studies of various funding streams.** The variables surrounding the cost of high-quality preschool are many. The potential funding sources can be complex. We will continue to unravel the threads of cost while we simultaneously begin to braid together public and private streams of funding.
- **Enhance community outreach and engagement efforts to build public will for preschool expansion.** A successful community-wide preschool expansion effort will require the full support of Asheville and Buncombe County citizens. To this end, we will need to design a community campaign to educate and inspire community support around the prospect of preschool expansion. This will include specific outreach to key stakeholders and a broader public awareness campaign.
- **Continue outreach and advocacy** with elected officials and policymakers at state and local levels. Expanding preschool access will require some form of public leadership and public investment. We will work closely with other preschool advocates in our community and across the state to supply policymakers with the needed information, evidence, and tools to help encourage their support for that investment.
- **Develop a plan for oversight and monitoring of eventual plan implementation.** Once the plan for expanding preschool in Buncombe County is fully defined and funded, there will be considerable work to implement it. Is that a role for an existing entity? Or will it require a new, collaborative structure? These are questions we will consider and explore.

# APPENDICES

## APPENDIX 1: ABPPC Steering Committee, Collaborative Team, Workgroups

### Steering Committee

Jennie Eblen, Eblen Short Stop  
Greg Borom, Children First/Communities in Schools  
Amy Barry, Buncombe Partnership for Children

Terry Bellamy, Asheville Housing Authority  
Allison Jordan, Children First/Communities In Schools  
Betsey Russell, Community Volunteer

### Asheville-Buncombe Preschool Planning Collaborative Team

Chair: Jennie Eblen, Eblen Short Stop

Marta Alcala-Williams, Asheville City Schools  
Stacey Bailey, Buncombe Partnership for Children  
Melissa Baker, MAHEC  
Ginny Barrett, Buncombe County Schools  
Amy Barry, Buncombe Partnership for Children  
Terry Bellamy, Asheville Housing Authority  
Greg Borom, Children First/Communities in Schools  
Jennifer Bosworth, AB Tech  
Matt Buys, ACS Board of Education  
Kit Cramer, Asheville Chamber of Commerce  
John DeWitt, Verner Center for Early Learning

Allison Jordan, Children First/Communities in Schools  
Dawn Meskil, Asheville City Preschool  
Rachael Nygaard, Buncombe County  
Natalia Rabin, Mission Health  
Brian Repass, Community Action Opportunities/Head Start  
Caroline Rodier, Buncombe Partnership for Children  
Chuck Rosenblum, Community Volunteer  
Betsey Russell, Community Volunteer  
Gordon Smith, Asheville City Council  
Parker Smith, Pisgah Legal Services

### Asheville-Buncombe Preschool Planning Workgroups

#### Quality Model Design

Stacey Bailey, Co-Chair,  
Buncombe Partnership for Children  
Dawn Meskil, Co-Chair,  
Asheville City Preschool  
Laura Martin, Verner Center for Early Learning  
Jennifer Bosworth, Asheville-Buncombe  
Technical College  
Ginny Barrett, Buncombe County Schools  
Betsey Stockslager, Asheville Museum of  
Science  
Jenny Vial, Buncombe Partnership for  
Children  
Laura Jane Howald, Community Action  
Opportunities/Head Start  
Alesia Summery, YWCA  
Wanda Harris, YWCA  
Corrie Hill Price, i.b.mee

#### Communications

Betsey Russell, Chair, Community Volunteer  
Marta Alcala-Williams, Asheville City Schools  
Amy Barry, Buncombe Partnership for  
Children  
Suzanne Metcalf, Buncombe Partnership  
for Children  
Matt Buys, ACS Board of Education

#### Workforce Development

Stacey Bailey, Co-Chair,  
Buncombe Partnership for Children  
Terry Bellamy, Co-Chair,  
Asheville Housing Authority  
Nathan Ramsey, Mountain Area Workforce  
Development Board  
Stevie Alverson, Buncombe Partnership  
for Children  
Jennifer Bosworth Asheville-Buncombe  
Technical College  
Mary Summers, Community Action  
Opportunities  
Natalia Rabin, Mission Health  
Shelley White, Asheville-Buncombe  
Technical College  
Meg Henshaw i.b.mee  
Anya Robyak, Buncombe Partnership for  
Children  
Chris Tucker, Verner Center for Early Learning  
Caitlyn Johnson, Buncombe County  
Schools

#### Funding Model

John DeWitt, Co-Chair,  
Verner Center for Early Learning  
Caroline Rodier, Co-Chair,  
Buncombe Partnership for Children  
Jane Hatley, Self Help Credit Union  
Cindy Moody, South Western Community  
Development Commission  
Rachael Nygaard, Buncombe County  
Jacque Penick  
Verner Center for Early Learning  
Brian Repass, Community Action  
Opportunities/Head Start  
Matt Stradley, North Asheville Preschool  
at Asbury UMC

#### Research

Rachael Nygaard, Chair, Buncombe County  
Amy Barry, Buncombe Partnership for  
Children  
Greg Borom, Children First/Communities in  
Schools  
Jenny Vial, Buncombe Partnership for  
Children  
Beth Maczka, YWCA  
Lisa Forehand, Community Volunteer

## APPENDIX 2: Glossary of Early Childhood Terms

**BAS:** Business Administration Scale. Similar to the PAS, an instrument designed to measure the management and business practices in Family Child Care Homes.

**CLASS:** Classroom Assessment Scoring System. A teacher-child interaction based observational assessment tool widely used for monitoring and professional development.

**Developmental Screening:** Provides early identification of children who may need special services in areas of speech and language development, problem-solving skills, fine and gross motor skills, and social/emotional skills.

**ECE:** Early care and education or early childhood education.

**ECERS-R:** Early Childhood Environment Rating Scale-Revised. An assessment of classroom quality used by the NC DCDEE as part of the Star-Rated License System used to assign star ratings (1 through 5 stars) to licensed ECE programs in NC.

**Evidence-Based:** A program or practice that has repeatedly and consistently demonstrated desirable outcomes through application of scientific research methods.

**Evidence-Informed:** A practice that is guided by child development theory, practitioner wisdom, qualitative studies, and findings from basic research; has written guidelines and a strong logic model; and has a history of demonstrating positive results.

**FCCERS:** Family Child Care Environment Rating Scale. An assessment of classroom quality used by the NC DCDEE in Family Child Care Homes as part of the Star-Rated License System used to assign star ratings (1 through 5 stars) to licensed ECE programs in NC.

**FCCH:** Family Child Care Home. A special license from the NC DCDEE for 5 children ages 0-5, with an option of serving 3 additional school-age children, who are cared for in the provider's private residence.

**Formative Assessment:** A child assessment used by the teacher to support children's individual learning needs in the day-to-day interactions between adults and children. Research shows that assessment of early learning and development should be informal, carried out over time, and in the context of the child's interactions with materials, objects and other people.

**NC DCDEE:** North Carolina Division of Child Development and Early Education. State licensing entity for programs serving children aged 6 weeks to 5 years. Programs operating more than 4 hours a day must obtain a license from the NC DCDEE. [www.ncchildcare.nc.gov](http://www.ncchildcare.nc.gov)

**NC Pre-K:** North Carolina Pre-Kindergarten program. Provides high quality educational experiences for income-eligible four-year-olds to enhance their kindergarten readiness.

**PAS:** Program Administration Scale. A valid and reliable instrument designed to measure the leadership and management practices of early childhood programs.

**Preschool Curriculum:** Based on scientifically valid research with standardized training procedures and curriculum materials to support implementation; includes goals for children's development and learning; provides experiences through which children will achieve the goals; is comprehensive and linked to ongoing assessment that includes measurable developmental and learning goals.

**Resiliency:** The capacity to recover quickly from difficulties or overcome hardship

**SEFEL:** Social Emotional Foundations for Early Learning. A framework for teaching social and emotional skills to young children.

**Trauma-Informed Care:** Trauma-informed care is an organized structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma. ([www.traumainformedcareproject.org](http://www.traumainformedcareproject.org))



# How to Find Child Care in Buncombe County

## Parent Referral Service

Mountain Child Care Connections Phone: 877.752.5955 Email: [childcareinfo@swcdcinc.org](mailto:childcareinfo@swcdcinc.org)

This is a free referral service for families seeking child care and after school care.

Calls are answered Monday through Friday, 8 am – 12 pm and 1pm-5pm. If you receive voice mail, leave a message and your call will be returned the next business day.

## Subsidized Child Care Options in Buncombe County

| Program   | Description   | Eligibility Requirements   | How to Apply  |
|---|---|--|---|
| <b>Early Head Start</b><br><i>A federally funded program</i><br><i>No cost to families</i><br><i>Over 84 children served annually</i> | <ul style="list-style-type: none"> <li>Free high quality child care and a variety of services designed to meet the medical, dental, nutritional and mental health needs of participating children.</li> <li>For children up to 3 years of age.</li> <li>Center-based options are offered daily for 4-5 hours, (hours vary depending on location.)</li> <li>Does not provide full-time child care. Families needing help with child care for the remainder of the day should apply for child care subsidy or pay a parent fee.</li> </ul>  | <ul style="list-style-type: none"> <li>Children must be younger than 3 years of age</li> <li>Family income at or below 100% of Federal Poverty</li> </ul> <p>Federal Poverty Guidelines as of 2017:<br/>           Family of two – \$16,240<br/>           Family of four – \$24,600</p> <ul style="list-style-type: none"> <li>Families are assessed on various need and risk factors</li> <li>Priority placement as space permits for teen parents, homeless children, migrant children</li> <li>Families receiving SSI are automatically eligible as space permits</li> </ul> | <p>Verner Center for Early Learning<br/>           East, West, and Central Asheville locations<br/>           (828) 298-0808<br/> <a href="http://www.vernerearlylearning.org">www.vernerearlylearning.org</a></p>  |
| <b>Head Start</b><br><i>A federally funded program</i><br><i>No cost to families</i><br><i>Over 500 children served annually</i>      | <ul style="list-style-type: none"> <li>Free high quality child care and a variety of services designed to meet the medical, dental, nutritional and mental health needs of participating children.</li> <li>For children 3 to 5 years of age prior to kindergarten.</li> <li>Classrooms are located in most Buncombe County Elementary Schools, Asheville City Schools Preschool and in 3 community centers: Hillcrest, Lonnie D. Burton, Pisgah View.</li> <li>10-month program – August through May.</li> <li>Does not provide full-time child care. Hours typically are 4 to 6.5 hours a day.</li> </ul> | <p>For children 3 to 5 years of age prior to kindergarten.</p> <ul style="list-style-type: none"> <li>Family income at or below 100% of Federal Poverty</li> </ul> <p>Federal Poverty Guidelines as of 2017:<br/>           Family of two – \$16,240<br/>           Family of four – \$24,600</p> <ul style="list-style-type: none"> <li>Priority placement for children who are homeless, or in foster care; families on SSI, Work First, or Temporary Assistance for Needy Families (TANF) as space permits</li> </ul>   | <p>Community Action Opportunities / Head Start<br/>           (828) 252-2495<br/> <a href="http://www.communityactionopportunities.org">www.communityactionopportunities.org</a><br/>           (Locations throughout the county)<br/> <i>Families must apply at the main office:</i><br/>           25 Gaston Street, Asheville.</p> |

| Program   | Description   | Eligibility Requirements   | How to Apply   |
|---|---|--|--|
| <p><b>NC Pre-K</b></p> <p><b>NC Pre-Kindergarten</b><br/><i>(formerly More at 4)</i></p> <p><i>A state funded program</i></p> <p><i>Over 365 children served annually</i></p>                   | <ul style="list-style-type: none"> <li>Free, high quality child care and education for 6.5 hours a day.</li> <li>For children 4 years of age by August 31 of the current school year.</li> <li>10-month program, typically August through May.</li> <li>Multiple providers and classroom locations. Check the Buncombe Partnership for Children website for current listing of providers. (<a href="http://www.buncombepfc.org">www.buncombepfc.org</a>)</li> <li>Does not provide full-time child care. Families needing help with child care for the remainder of the day should apply for child care subsidy or pay a parent fee for wrap around care, which is available at limited sites.</li> </ul> | <ul style="list-style-type: none"> <li>75% of State median income guidelines apply</li> <li>State Median Income as of 2017:<br/>Family of two – \$35,700<br/>Family of four – \$52,500</li> <li>Children must be 4 years of age by August 31 of the school year</li> <li>Prioritization for enrollment: children with no previous child care experience; children with active duty military caregiver(s); children with special needs</li> </ul>                         | <p>Contact Buncombe Partnership for Children (828) 285-9333, ext. 1007<br/><a href="http://www.buncombepfc.org">www.buncombepfc.org</a></p> <p>NC Pre-K classrooms are located throughout the county. Check the Buncombe PFC website for the most current listing of participating sites.</p> <p><i>Applications are available online and are accepted throughout the school year.</i></p> |
| <p><b>Child Care Subsidy (Vouchers)</b></p> <p><i>State and federally funded</i></p> <p><i>Parent fees may apply</i></p> <p><i>This program serves approximately 2500 children annually</i></p> | <ul style="list-style-type: none"> <li>For children birth to 12 years of age; parent fees are 10% of gross monthly income for all vouchers.</li> <li>Financial assistance for child care and after school care provided to eligible families for children enrolled in participating 3, 4 and 5 star programs, as well as GS110, (church/religious sponsored) programs. Families are able to choose their own child care provider. Child care providers are reimbursed per child at a rate set by the state.</li> <li>Vouchers may be used for full-time care, summer care, after school care, or wrap around care for free part-time programs like Early Head Start and NC Pre-K.</li> </ul>              | <p>Children 0-5, not in Kindergarten<br/>200% Federal Poverty</p> <p>Children 6-12 years of age<br/>133% Federal Poverty</p> <p>200% Federal Poverty as of 2017:<br/>Family of two – \$32,480<br/>Family of four – \$49,200</p> <p>133% Federal Poverty as of 2017:<br/>Family of two - \$21,599<br/>Family of four - \$32,718</p> <ul style="list-style-type: none"> <li>Families must be working and/or enrolled in school for a minimum of 30 hours a week</li> </ul> | <p>Contact the Child Care Subsidy Unit at the Department of Health and Human Services (828) 250-5664</p> <p><i>Typically, there is a waiting list for vouchers. As soon as you know you will need child care and think that you may be eligible for financial assistance, contact the Subsidy Unit at the number above.</i></p>  |

### Private Child Care Options

- For families who are not eligible for subsidized child care, private child care providers offer full and/or part time care options.
- Families are encouraged to ask providers whether they offer scholarships, a sliding fee scale for private payers, and/or other discounts.
- Half day programs, (four hours or less,) are another option for families to consider.
- Families are encouraged to contact Mountain Child Care Connections to locate child care. Phone 1(877)752-5955. Email: [childcareinfo@swdcinc.org](mailto:childcareinfo@swdcinc.org). This is a free referral service for families seeking child care and after school care. Calls are answered Monday through Friday, 8 am – 12 pm and 1pm-5pm. If you receive voice mail, leave a message and your call will be returned the next business day.



Supporting Children's  
First 2,000 Days

*This information provided by Buncombe Partnership for Children– June 2017*

[www.buncombepfc.org](http://www.buncombepfc.org)

## APPENDIX 4: Cost Projection Tables

**TABLE 1: ESTIMATED PRESCHOOL PRICE PER SLOT**

| EXPENSE  | OPTION 1<br>FULL DAY, FULL<br>YEAR |                | OPTION 2<br>SCHOOL DAY,<br>FULL YEAR |                | OPTION 3<br>SCHOOL DAY,<br>SCHOOL YEAR |                | OPTION 4<br>FAMILY CHILD<br>CARE HOME |                |
|--|------------------------------------|----------------|--------------------------------------|----------------|--|----------------|---------------------------------------|----------------|
|  | ENTRY<br>LEVEL                     | GOAL<br>LEVEL  | ENTRY<br>LEVEL                       | GOAL<br>LEVEL  | ENTRY<br>LEVEL                         | GOAL<br>LEVEL  | ENTRY<br>LEVEL                        | GOAL<br>LEVEL  |
| Full time lead teacher salary (Option 1, 2080 hrs.)  | 37,440                             | 41,620         | 37,440                               | 41,620         | 31,200                                 | 34,683         | 37,440                                | 41,620         |
| FT lead teacher benefits (30% of salary)   | 11,232                             | 12,486         | 11,232                               | 12,486         | 9,360                                  | 10,405         | 11,232                                | 12,486         |
| Center supplement for lead teacher to complete college-level course work/salary supplement (Goal Level)      | 3,744                              | 3,744          | 3,744                                | 3,744          | 3,744                                  | 3,744          | 3,744                                 | 3,744          |
| Full time teacher assistant salary   | 31,824                             | 35,377         | 31,824                               | 35,377         | 26,520                                 | 29,481         | 0                                     | 0              |
| FT asst. teacher benefits  | 9,547                              | 10,613         | 9,547                                | 10,613         | 7,956                                  | 8,844          | 0                                     | 0              |
| Center supplement for assistant teacher to complete college-level course work/salary supplement (Goal Level) | 3,182                              | 3,537          | 3,182                                | 3,537          | 3,182                                  | 3,537          | 0                                     | 0              |
| Full-time teacher assistant salary   | 31,824                             | 35,377         | 0                                    | 0              | 0                                      | 0              | 0                                     | 0              |
| Full-time teacher assistant benefits   | 9,547                              | 10,613         | 0                                    | 0              | 0                                      | 0              | 0                                     | 0              |
| Center supplement for assistant teacher to complete college-level course work/salary supplement (Goal Level) | 3,182                              | 3,537          | 0                                    | 0              | 0                                      | 0              | 0                                     | 0              |
| Floater/subs   | 4,356                              | 4,356          | 2,360                                | 2,360          | 1,573                                  | 1,573          | 1,452                                 | 1,452          |
| Professional development   | 581                                | 581            | 315                                  | 315            | 315                                    | 315            | 194                                   | 194            |
| Family engagement  | 97                                 | 487            | 97                                   | 487            | 97                                     | 487            | 97                                    | 487            |
| Program leadership and administration  | 500                                | 1,000          | 500                                  | 1,000          | 500                                    | 1,000          | 500                                   | 1,000          |
| Teaching Strategies Gold   | 300                                | 300            | 300                                  | 300            | 300                                    | 300            | 300                                   | 300            |
| Center Director/support staff (10% of all staff salary/benefits)   | 13,577                             | 15,044         | 9,240                                | 10,246         | 7,661                                  | 8,499          | 5,012                                 | 5,556          |
| Other program costs (educational and consumable supplies, indirect costs) - 10% of total                     | 13,615                             | 15,258         | 11,022                               | 12,374         | 9,286                                  | 10,455         | 54,946*                               | 56,112*        |
| Estimated cost for staffing 1 classroom  | <u>174,548</u>                     | <u>193,930</u> | <u>120,804</u>                       | <u>134,459</u> | <u>101,694</u>                         | <u>113,323</u> | <u>114,917</u>                        | <u>122,951</u> |
| <b>Estimated annual cost per slot</b>  | <b>9,697</b>                       | <b>10,774</b>  | <b>6,711</b>                         | <b>7,470</b>   | <b>5,650</b>                           | <b>6,296</b>   | <b>6,384</b>                          | <b>6,831</b>   |

### Assumptions

- 1) Classes will be for a maximum of 18 children for centers; FCCHs will serve a maximum of 5 children (age 0-5), Min 3 children (3- and 4-year-olds)
- 2) Salary schedules are recommended based on entry- and goal-level for 1 classroom in an existing center.
- 3) The cost estimates for options 2, 3, and 4 are based on the estimate for option 1.
- 4) Full day is at least 8 hours; School day is 6.5 hours; School year is 10 months; FCCH is full day, full year
- 5) Teachers who work in 6.5 hour/day programs are actually working 8 hours because planning time is included.
- 6) Teachers working 8-hour days in programs open longer than 8 hours often do not have planning time.
- 7) The methodology is included on the amended Quality Model Design - TABLE 1
- 8) Disclaimers and expenses/items NOT included in the Funding Model are explained in the narrative report.

\* In order for the ABPPC family child care home (FCCH) reimbursement rate to be competitive with the subsidy reimbursement rate and sustainable for a program whose enrollment is much smaller than a child care center, the Funding Model Workgroup increased the "other program costs" line item for FCCHs. Other costs of \$49,040 per site were added to the 10% overhead for entry-level FCCH sites. Other costs of \$49,429 were added to the 10% overhead for goal-level FCCH sites. This brings the total per child annual slot reimbursement rate for entry- and goal-level ABPPC slots to 7% more than

subsidy reimbursement rates for 4- and 5-star facilities respectively.

### Additional Costs for Starting a New Preschool Classroom in an Existing Center

|                                |        |
|--------------------------------|--------|
| Educational Supplies/Equipment | 4,715  |
| Furniture and Fixtures         |        |
| Indoor furniture/equipment     | 19,780 |
| TOTAL                          | 24,495 |

**TABLE 2: COMPARISONS - Cost per slot (annual rates)**

|    |   | Full Day, Full Year | School Day, Full Year | School Day, School Year   |
|----|---|---------------------|-----------------------|---|
| 1  | ABPPC - Option 1                          | 10,774              |                       |   |
| 2  | ABPPC - Option 2                          |                     | 7,470                 |   |
| 3  | ABPPC - Option 3                          |                     |                       | 6,296   |
| 4  | ABPPC - Option 4                          | 4,085               |                       |   |
| 5  | Subsidy - Centers, 4-star                 | 6,744               |                       |   |
| 6  | Subsidy - Centers, 5-star                 | 7,332               |                       |   |
| 7  | Subsidy - Family Child Care Homes, 4-star | 5,964               |                       |   |
| 8  | Subsidy - Family Child Care Homes, 5-star | 6,384               |                       |   |
| 9  | Head Start                                |                     |                       | 14,000  |
| 10 | Developmental Day                         |                     |                       | 10,000  |
| 11 | Buncombe NC Pre-K                         |                     |                       | Differential rates:<br>Head Start = 3,300-4,000;<br>Public School = 4,730;<br>Private Centers = 6,000-6,500 |
| 12 | NC Pre-K Cost Study                       | 11,300              |                       | 9,126   |
| 13 | Durham's Universal Pre-K                  |                     |                       | 11,500-12,000   |
| 14 | Forsyth Universal Pre-K*                  |                     |                       | 8,400   |

**Notes**

\*This model is 10 months, 6.5-8 hours

1-4: ABPPC - see Table 2

5-8: Subsidy market rates - October 2016, [http://ncchildcare.nc.gov/providers/pv\\_marketrates.asp](http://ncchildcare.nc.gov/providers/pv_marketrates.asp)

9-11: Head Start, Developmental Day, Buncombe NC Pre-K - ABPPC Pre-K Matrix: <https://docs.google.com/spreadsheets/d/15541PMgT0T0CG5L0d3od-18D1g3Yriqv-KA3X0ZxWRDg/edit#gid=333474432>

12: Study Costs and Effectiveness Associated with NC Pre-K slots (<https://drive.google.com/drive/u/0/folders/0Bye6WllicgyhYWt3TXNacGRuNEU>)

13: Durham's Universal Pre-K Report - <https://drive.google.com/drive/u/0/folders/0Bye6WllicgyhYWt3TXNacGRuNEU>

14: Forsyth Universal Pre-K - <https://drive.google.com/drive/u/0/folders/0Bye6WllicgyhYWt3TXNacGRuNEU>

**TABLE 3: TOTAL ANNUAL COST PROJECTION**

Based on available children and current numbers served in all licensed and unlicensed programs

|   |   | CHILD AGE            |       |       |       |             |             |                     |        |
|---|---|----------------------|-------|-------|-------|-------------|-------------|---------------------|--------|
|   |   | Annual cost per slot | INF   | 1     | 2     | 3           | 4           | 5PS                 | Totals |
| A | Children in Licensed Care (April 2017 DCDEE)  |                      | 268   | 510   | 731   | 991         | 1,103       | 625                 | 4,228  |
| B | Children in Unlicensed (part-day) Care (11/30/16 MCCC)  |                      |       | 120*  | 214   | 321         | 351         | 140                 | 1,146  |
| C | Total Children in Care (A+B)  |                      | 268   | 630   | 945   | 1,312       | 1,454       | 765                 | 5,374  |
| D | Total Available Child Population (NC OMB, July 2017 projection)   |                      | 2,674 | 2,654 | 2,621 | 2,644       | 2,674       | 868                 | 14,030 |
| E | % of all children currently being served (C/D)  |                      | 10%   | 24%   | 36%   | 50%         | 54%         | 88%                 | 38%    |
| F | # of children available (not being served, does not imply need, D-C)                                    |                      | 2,406 | 2,024 | 1,676 | 1,332       | 1,220       | 103                 | 8,673  |
| G | ABPPC Service Targets: 70% of available 4- and 5-year-olds; 64% of available 3-year-olds                |                      |       |       |       | 852         | 854         | 72                  | 1,778  |
|   |   |                      |       |       |       |             |             |                     |        |
| H | Cost to serve ABPPC target (G), NC Pre-K Cost Study rate, school day school year (G*H)                  | \$9,126              |       |       |       | \$7,779,732 | \$7,793,604 | \$655,238           |        |
| I | Total Potential Slot Cost (3+4+5-year-olds)   |                      |       |       |       |             |             | <b>\$16,228,574</b> |        |
|   |   |                      |       |       |       |             |             |                     |        |
| J | Cost to serve ABPPC target (G), NC Pre-K Cost Study rate w/ expanded cost for full day, full year (G*J) | \$11,300             |       |       |       | \$9,633,024 | \$9,650,200 | \$811,329           |        |
| K | Total Potential Slot Cost (3+4+5-year-olds)   |                      |       |       |       |             |             | <b>\$20,094,553</b> |        |
|   |   |                      |       |       |       |             |             |                     |        |
| L | ABPPC - Option 1, Goal Rate (G*L)   | \$10,774             |       |       |       | \$9,184,545 | \$9,200,921 | \$773,556           |        |
| M | Total Potential Slot Cost (3+4+5-year-olds)   |                      |       |       |       |             |             | <b>\$19,159,022</b> |        |
|   |   |                      |       |       |       |             |             |                     |        |

**Notes**

A April 2017 Division of Child Development and Early Education (DCDEE) Monthly Statistical Report, [http://ncchildcare.nc.gov/general/Child\\_Care\\_Statistical\\_Report.asp](http://ncchildcare.nc.gov/general/Child_Care_Statistical_Report.asp).

B MCCC is Mountain Child Care Connections, the regional child care resource & referral arm of Southwestern Child Development Commission. Data source may reflect low numbers of children served. This is the most recent data available and no other data source exists. \* Includes infants and 1-year-olds.

D Population data from the NC Office of Management and Budget, July 2017 projection ([https://ncosbm.s3.amazonaws.com/s3fs-public/demog/cou-tytotals\\_singleage\\_2017.html](https://ncosbm.s3.amazonaws.com/s3fs-public/demog/cou-tytotals_singleage_2017.html)). Total available child population is all 0- to 4-year-olds and 33% of 5-year-olds (North Carolina Partnership for Children methodology for 5-year-olds not age-eligible for kindergarten).

G Participation rates follow research around established Universal Pre-K attendance, The Century Foundation (<https://tcf.org/content/commentary/benefits-universal-access-pre-k-3-k/>).

H NC Pre-K Cost Study (School year, school day), Study Costs and Effectiveness Associated with NC Pre-K slots (<https://drive.google.com/drive/u/0/folders/0Bye6WliccgYhYWt3TXNacGRuNEU>).

J Funding Model Workgroup calculation of full day, full year cost based on NC Pre-K Cost Study.

L See Cost per Slot - Table 2.

M Total does not include one-time grants for start-up of new classrooms.



## APPENDIX 5: Local Funding Options

**TABLE 4: LOCAL FUNDING OPTIONS FOR BUNCOMBE COUNTY**

Funding Model Workgroup Recommendation: Need a comprehensive strategy for blended funding.

| LOCAL FUNDING SOURCE            | REQUIRES NC GENERAL ASSEMBLY APPROVAL OR A CHANGE IN LAW | LOCAL VOTER APPROVAL NEEDED | REVENUE LIMITS  | QUESTIONS TO CONSIDER  |
|---------------------------------|--|-----------------------------|---|--|
| Municipal or County Budget Item |  |                             | Must be renewed each year as part of the budget cycle                                   | Are we prepared to go back to the budget process each year to maintain the investment?   |
| Bond                            |  | X                           | Available only for long-term capital investments, not day-to-day operations             | <ul style="list-style-type: none"> <li>• Since bonds are for capital investments, are there any capital investments that would be needed if the municipality or county invested in early learning?</li> <li>• Do we have the political relationships and power to get an early childhood investment on the ballot for a referendum?</li> <li>• Do we have the resources to support a campaign to encourage public support for the referendum?</li> </ul>                                   |
| Sales Tax                       | X  | X                           | Local sales tax is limited to between 2% and 2.75%. Buncombe County sales tax is 2.25%. | <ul style="list-style-type: none"> <li>• Does our community generate enough sales tax revenue?</li> <li>• Since a sales tax represents a greater share of the income of low- and middle-income taxpayers, is this the best approach?</li> <li>• Do we have the political relationships and power to get an early childhood investment on the ballot for a referendum?</li> <li>• Do we have the resources to support a campaign to encourage public support for the referendum?</li> </ul> |
| Property Tax                    | Unclear.   |                             |   | <ul style="list-style-type: none"> <li>• Is the real estate wealth in the community such that it can support needed investments?</li> <li>• What property tax rate would be required?</li> </ul>   |
| Occupancy Tax                   | X  |                             | NCGA sets the occupancy tax rate. Buncombe County's rate is set at the maximum 6%       | <ul style="list-style-type: none"> <li>• Does our community have enough tourism to generate occupancy taxes?</li> <li>• What occupancy tax rate would be required?</li> <li>• Do we have the political relationships and power to gain support from our county to support the use of occupancy tax for early childhood rather than for tourism only?</li> </ul>  |
| Fees                            | X  |                             |   | <ul style="list-style-type: none"> <li>• What types/amount of fees could generate the necessary investment in early learning?</li> <li>• Do we have the political relationships and power to gain support from our community and the NC General Assembly to allow the allocation of fees for early learning?</li> </ul>  |

|                      |   |  |  |  |
|----------------------|---|--|--|--|
| Special Tax District | X |  |  | <ul style="list-style-type: none"> <li>• Is the real estate wealth in the community such that it can support needed investments?</li> <li>• What tax rate would be required?</li> <li>• How do we determine the special taxing district(s)?</li> </ul>   |
| Tax Credits          | X |  |  | <ul style="list-style-type: none"> <li>• Can we gain support for tax credits from economic development leaders in our community?</li> </ul>  |
| Social Impact Bonds  | X |  |  | <ul style="list-style-type: none"> <li>• Are there foundations or venture capitalists that are engaged in early childhood issues that would be interested in investing?</li> <li>• Can we demonstrate that the proposed intervention amounts to prevention?</li> <li>• Do we have agencies that are prepared to define, measure, and deliver the outcomes?</li> <li>• Can the outcomes be observed in three to eight years?</li> </ul> |
| Grants and Loans     |   |  |  | <ul style="list-style-type: none"> <li>• Are there sources of grants and loans for our community that are significant enough to support early childhood?</li> <li>• Are there start-up costs or pilot phases that are well-suited to the shorter term nature of grants and loans?</li> </ul>   |

# MANY THANKS TO OUR DONORS AND FUNDERS TO DATE

The Community Foundation of Western North Carolina

City of Asheville

Buncombe County

Buncombe Partnership for Children

Jennie Eblen

Terry Van Duyn

Betsey Russell (in-kind)



Buncombe Partnership for Children is the coordinating agency and fiscal sponsor for ABPPC.

For more information, **visit us on the web at [ABPPC.org](http://ABPPC.org)**

or contact Amy Barry, Executive Director,

Buncombe Partnership for Children,

828-407-2054 or [amy@buncombepfc.org](mailto:amy@buncombepfc.org).

