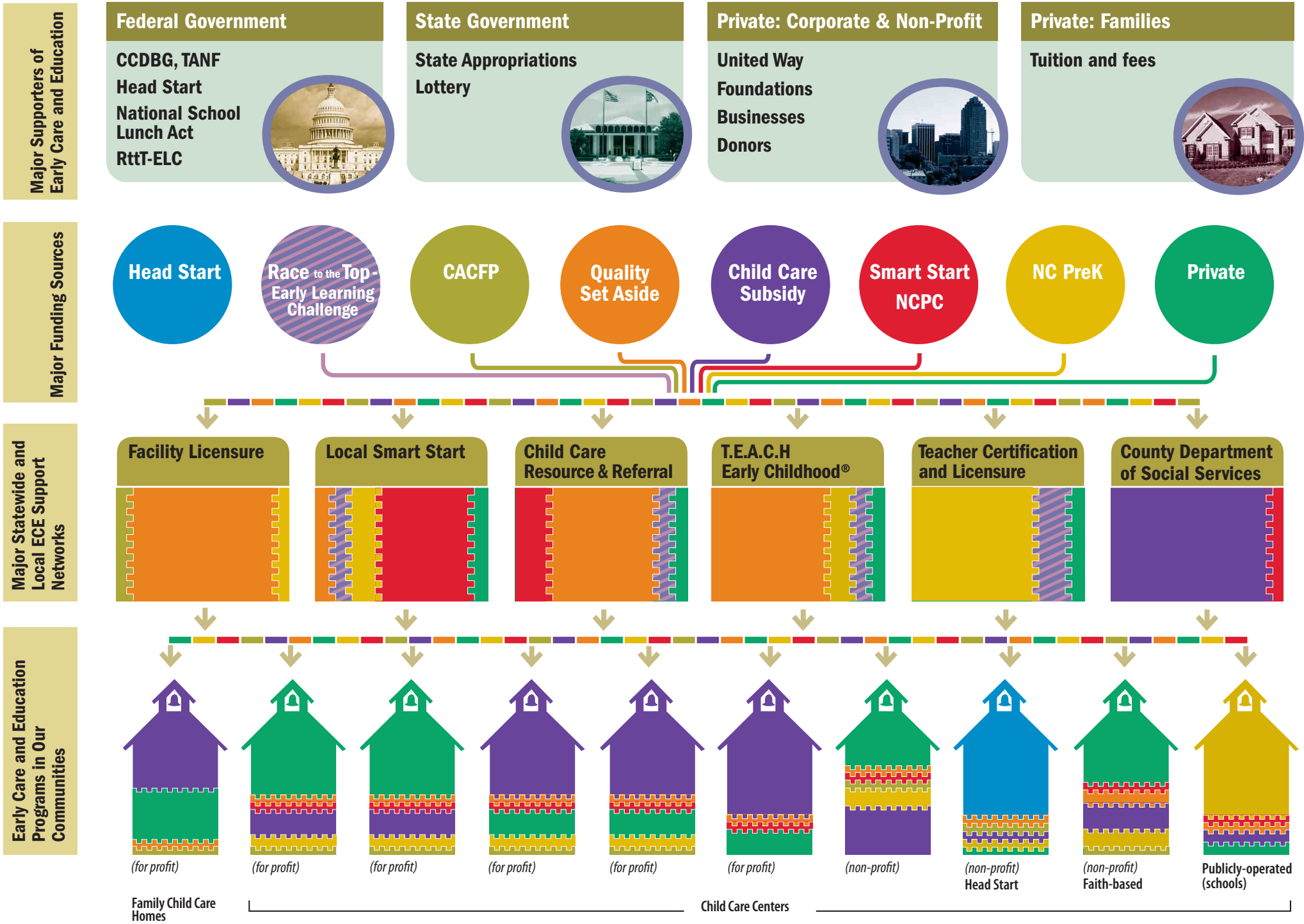


The Early Care & Education Funding and Quality Support System in North Carolina



Glossary

This graphic provides a representation of funding streams that support the early care and education system in North Carolina. This funding is either provided directly to child care programs (such as Head Start and parent payments) or through intermediary systems that provide financial and/or technical support to programs (such as NC Pre-K, child care subsidy and quality set aside activities). Only terms that need further explanation are included in this Glossary. At this time the graphic does not include other funding sources such as those from Early Intervention or the Department of Public Instruction.

Major Supporters of Early Care and Education

- **CCDBG** – Child Care and Development Block Grant. This is a federal grant administered by the NC Division of Child Development and Early Education. These dollars are used to support child care subsidy services, state and local administrative costs and quality activities, including regulatory staff.
- **TANF**- Temporary Assistance for Needy Families Block Grant. This is a federal grant administered by the NC Division of Social Services to support families finding and keeping jobs. A portion of this grant is used for child care services.
- **RttT-ELC** – Race to the Top-Early Learning Challenge Grant. This is a four-year federal grant awarded to North Carolina through a competitive application process. This grant supports innovative activities improving early learning and development programs for young children.
- **National School Lunch Act** – This federal legislation authorizes the provision of low-cost or free meals to qualified students through subsidies. In child care this is implemented through the Child and Adult Care Food Program.
- **Head Start** – This is a federal grant that provides funding for comprehensive education, health, nutrition, and parent involvement services to low-income children and their families. The funding is awarded directly to local or regional agencies to operate programs in a designated area.

Major Funding Sources

- **CACFP** – Child and Adult Care Food Program. This is a federal grant administered by the NC Division of Public Health. Funding is either received directly by a child care program or received by a child care program through an intermediary sponsor to partially cover food and nutrition costs.
- **Quality Set Aside** – Within CCDBG or TANF transferred funds, 4% must be allocated to support quality improvement activities. These include T.E.A.C.H. scholarships, resource and referral activities, licensing oversight, and Environment Rating Scale assessments.
- **Child Care Subsidy** – Child care subsidy is provided for children in low income families to attend 3, 4 and 5 Star programs. Children receive early education services and families receive support to either work or stay in school.
- **Smart Start/NCPC** – The North Carolina Partnership for Children is the administrative agency for North Carolina’s state-funded early childhood initiative. NCPC allocates and provides oversight to local Smart Start agencies across the state.
- **NC Pre-K** – North Carolina’s Pre-K program serves four year old children at risk for school failure and is funded with a blend of state appropriations and lottery dollars. These funds support direct services for children, as well as administrative support including the Teacher Licensure Unit, scholarships for Pre-K staff through T.E.A.C.H. Early Childhood®, Environment Rating Scales in Pre-K classrooms.
- **Private** – Most private funding comes from the tuition payments that parents make to child care programs. This includes co-payments when a child is supported by child care subsidy, as well as fees for private paying parents. Other private funding sources include donations from individuals, foundations, grants and businesses.

Major Statewide and Local ECE Support Networks

- **Facility Licensure** - The Division of Child Development and Early Education (DCDEE) is the state agency charged with the regulatory oversight for regulated child care programs in the state. They issue Star Rated Licenses.
- **Local Smart Start** – These are public-private partnerships in local communities that build capacity to ensure services are available to support families and the educational, social and emotional well being of their young children.
- **Child Care Resource and Referral** – Agencies across the state provide consumer education and referral for families as they search for child care, and technical assistance and professional development to early care and education programs to improve services for children. They also collect data to evaluate, analyze and provide public awareness related to early childhood.
- **T.E.A.C.H. Early Childhood® Project** - Comprehensive scholarships are available for early educators to complete college coursework in early childhood education to increase their education, compensation and retention.
- **Teacher Certification and Licensure** –In the NC Pre-K system a teacher must hold a Birth-Kindergarten teaching license. DCDEE maintains a teacher licensure unit that oversees this process for teachers working in private child care and Head Start programs.
- **County Department of Social Services (DSS)** - DSS, or their local contractor, is responsible for determining eligibility for families for child care subsidy. Counties receive an allocation from the State for subsidy services in their community based on a formula related to county population and income data.

Early Care And Education Programs in Our Communities – *The building graphics at the bottom of the page represent an approximate proportional distribution of the different types of regulated programs described below. Most early care and education sites in the State use multiple funding sources to support their program.*

- **Family Child Care Homes** – Child care in a private home for no more than 5 preschool children.
- **Child Care Centers** – Early childhood programs licensed to serve more than five preschool children, for more than 4 hours a day--including NC Pre-K, Head Start, after-school programs and private for-profit and non-profit child care sites.
- **Public** – early childhood programs operated by governmental entities such as public schools, universities or community colleges.
- **Faith-based Child Care** –child care centers operated by a community of space that is either fully licensed, or regulated and thus exempt from some licensing standards.