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ABSTRACT

Launched in 1994, Smart Start is the statewide early childhood initiative in North Carolina designed to ensure that every child "arrives at school healthy and ready to succeed." This guide provides a practical reference to the lessons learned from Smart Start as the program was developed and experienced from the local county partnership perspective. The guide documents program implementation at the local level during its first 5 years. Information for the guide was gathered from surveys, interviews, and focus groups of Smart Start executive directors. Experiences of local leaders are presented in the form of stories and "lessons learned" that are organized around the major challenges facing each local partnership organization. These challenges include board leadership, planning, services development, organizational development, community collaboration, resource development, evaluation, communications, and public awareness. Each chapter in the guide focuses on one of these themes and contains background information on state policy and practice before highlighting the local perspective. Brief case studies are included within each topic. The chapters conclude with a set of key lessons for each topic. The guide concludes by considering Smart Start's future as North Carolina's political leadership changes, how Smart Start fits in with other early childhood issues in the state, local implementation of the initiative, and how the program is likely to change. (KB)

Sharing the Stories

Lessons Learned from 5 Years of Smart Start

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Carolyn K. Kroll
Mi[illegible]e Rivest

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Carolyn K. Kroll
Michele Rivest

About the Authors

Carolyn K. Kroll served as Executive Director of Durham's Partnership for Children, the nonprofit established to administer an annual Smart Start grant in Durham County, from its inception in 1994. Before coming to North Carolina, Carolyn was a manager at Work/Family Directions, the Boston-based national consulting firm that assists major corporations with work-life issues. In addition, she has served as a county manager and a legislative aide in Massachusetts. In 1998, she started CK Kroll & Associates, Inc. to provide technical assistance and consulting on early childhood initiatives and organizational development. Carolyn has a journalism degree from Northwestern University and a graduate degree in creative writing.

Michele Rivest has been, since 1994, the Executive Director of the Orange County Partnership for Young Children, a nonprofit agency that is implementing Smart Start in the county. Prior to this, Michele was the Vice-President for Programs at the N.C. Child Advocacy Institute in Raleigh where she was responsible for policy and program activities. While at the Institute, Michele was part of Governor Hunt's transition team on early childhood education that designed the Smart Start initiative. Michele is the former director of the Children and Youth Program of the National Conference of State Legislatures, a national organization serving all 50 states. She earned a master's degree in public policy from the University of Colorado.

To obtain additional copies or inquire about this publication, contact CK Kroll & Associates, Inc., 1009 Monmouth Avenue, Durham, NC 27701 or e-mail ckkroll@mindspring.com.

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Foreword

By Richard M. Clifford, Ph.D.

To understand how Smart Start happened in North Carolina–and why it happened in the 1990s–we need to consider the factors that fostered its creation. The 1980s were difficult years for young children and their families in the United States. Individual incomes were stagnant. For men just entering the workforce, the average hourly wage adjusted for inflation actually decreased. Also, the proportion of families headed by single adults increased. So it was harder for families to get started earning a living and harder for them to keep up with costs.

These factors reinforced the trend of women entering or re-entering the workforce when their children were young. In fact, by the end of the 1980s, fully half of all women who had given birth to children in the previous 12 months were in the workforce. Increasingly, these families turned to other adults to help rear their children. More and more, they relied on child care centers and homes.

While these trends affected the whole nation, North Carolina faced a particularly difficult situation, with one of the highest percentages of working mothers and one of the lowest average wage rankings. This meant that typical families were especially hard pressed to afford high quality services. Many of them needed assistance to pay for even the most basic early childhood services.

Policy makers responded by reducing state regulations on child care centers serving state-subsidized families, so that they could stretch the limited funds across more people. As was true in most states, there was little increase in child care subsidies for low- and moderate-income families until the late 1980s and early 1990s. In 1989, federal legislation was passed acknowledging–at the national level–that the government needed to find ways to meet the needs of these families. The resulting Act for Better Child Care increased the funds available for child care subsidies and provided new regulations aimed at making subsidy payments related to the actual cost of providing child care in states. While the legislation fell far short of meeting all the needs, it heralded a first step.

In late 1992, when Governor-elect Hunt announced his plans for a new early childhood initiative for North Carolina, it was the chance of a lifetime for many of us to address the complex issues of raising the quality, availability and affordability of early childhood services. We had known that the people of North Carolina wanted to tackle these issues, but we lacked the driving force to get started. In the very best tradition of our democracy, the Governor saw the need and the will of the people and provided the missing leadership.

As plans for the Smart Start initiative took shape, we began to visualize the rough outlines of a program that would improve services for our youngest citizens and their families. We felt a sense of excitement and urgency to get this program up and running, while we had the interest of the Governor and key legislators. Looking back, I think we were pushed by the sense that we had only two or maybe three years to accomplish all that was needed.

Fortunately, the Governor ran the initiative as a continuing campaign. He talked about Smart Start in nearly every speech he gave over his full four-year term, even continuing the theme in his next campaign. As of this writing, he has held firm to his original commitment made some eight years ago. North Carolina is now seen as one of the leading states in the nation in early childhood care and education. While we still have a long way to go to handle all the complexities implicit in serving a broad array of family needs, Smart Start is a pioneer in discovering solutions.

At root, the initiative seeks to build an infrastructure to support community-based early childhood services and to use that infrastructure to improve services for all children prior to entry into kindergarten. The goal is for all children to come to school healthy and ready to succeed.

From the beginning, Smart Start focused on building a system of early childhood services with decisions made at the local level. To date, more than 80 local Partnerships have been created as private nonprofit organizations to plan and coordinate services for young children in all 100 counties of North Carolina. Their task has been to help coordinate the more than 10,000 statewide child care centers, Head Start programs, family child care homes, school-based services for pre-kindergarten, programs for children with disabilities, family support programs and providers of health services. In so doing, the local Partnerships have involved literally thousands of citizens from all walks of life in making decisions about how to best provide services in their own communities.

For me personally, it has been a real honor to work with the parents, community and business leaders and early childhood professionals who have created a new set of opportunities for children and families in North Carolina. What we had once seen as a time-limited initiative has turned out to be the beginning of a decades-long crusade to create a comprehensive system of services for young children and their families.

We are still in the middle of creating that system–and there is much left to do. To this day, the heart and soul of the work takes place at the local level. This book tells the story of Smart Start from the perspective of those local people who bring the program to life.

Dr. Richard M. Clifford is a Senior Investigator at the Frank Porter Graham Child Development Center, University of North Carolina-Chapel Hill. Dick served as one of the early leaders and developers of the Smart Start initiative and as the first Director of the Division of Child Development (DCD) within the North Carolina Department of Human Resources. This state agency, later renamed the N.C. Department of Health & Human Services, held the responsibility for implementation of the Smart Start legislation adopted in 1993. Dick was involved with Smart Start from day one and graciously agreed to work with the authors on this publication. He provided insight and guidance to our look at Smart Start from the local perspective.

Acknowledgements

The authors would especially like to recognize the enormous contribution that Governor James B. Hunt has made to young children and families. He believed in the power of each local community to decide what is best for its children. Because of his steadfast vision and leadership, Smart Start has now become a statewide reality in all 100 counties of North Carolina.

The authors are indebted to all of the executive directors of local Partnerships who shared the stories and experiences that are at the heart of this book. We sincerely thank all our Smart Start colleagues and friends for their time and their talents. Every Smart Start Partnership was mailed a written survey and we thank all those who sent us back the completed form. We integrated much of the survey information into "lessons" shared in this book.

We especially thank these executive directors who sat down with us for an interview. They are: Michelle Adkins (former Executive Director in Mecklenburg County), Lori Bates (Brunswick County), Ron Bradford (Buncombe County), Carol Coulter (Ashe County), Dean Clifford (Forsyth County), Jayne Davis (New Hanover County), Angela Deal (Burke County), Ann Faircloth (formerly in Hertford County and now in Duplin County), Jim Glasson (Albermarle Partnership), Sharon Lord (formerly in Jones County), Jenny Megginson (Chatham County), Loretta Michael (Dare County), June Smith (Region A), and Henrietta Zalkind (Nash-Edgecombe Counties).

We also thank the following executive directors from Year 5 counties who participated in a focus group held at the Trinity Center in Salter Path, NC. They are: Sandra Hudspeth (Caswell County), Holly Ann Rogers (Harnett County), Kelly Robins (Onslow County), Michael Phillips (Richmond County), Neal Hardison (Sampson County), Mary Ann Rasberry (Union County), and Dwight Morris (Yadkin County).

We also benefited from the perspectives of several state leaders, including Stephanie Fanjul (Director of the Division of Child Development), Pauline McKee (Partners In Innovation), Karen Ponder (Executive Director of the North Carolina Partnership for Children), and John Ott (Partners In Innovation). Another state leader, Dr. Richard Clifford, was instrumental in helping us understand the early development of Smart Start.

The research and writing of this publication would not have been possible without a grant from the Smith Richardson Foundation. We are especially grateful to Adele Richardson Ray for her early interest in this project and to Phoebe Cottingham, Program Director at the Smith Richardson Foundation in Westport, Connecticut.

The production, printing and distribution of this book has been made possible through a grant from The David and Lucile Packard Foundation in Los Altos, California. We especially appreciate the support of Carol Stevenson and Marie Young at the Packard Foundation. Both of these foundations were very interested in sharing the lessons learned in North Carolina with other communities and states that might consider similar early childhood initiatives. We hope that this work will indeed prove to be useful to other pioneers in other places.

Finally, we wish to thank Laura Benedict, Director of the Community Facilities Fund at Self-Help in Durham, North Carolina. Laura helped us launch this project with her early encouragement and her management of the fiscal administration for the grants we received. We are very appreciative of her interest in this project and the budgetary help offered by Jim Key at Self-Help.

We extend our appreciation to June Smith and her kitten, Luna, for the inspirational setting in June's mountain home and much amusement as we began writing this book last July. We were reminded each day to take time to play and to nourish our spirits by walking in the mountains of North Carolina and watching an adorable kitten chase her tail. These moments served us well during the following months of hard work on this project.

While traveling all over this state to capture the stories that enrich this initiative, we were reminded of why we do this work. Over and over, we heard executive directors and leaders involved in Smart Start talk about the vision they saw for young children in this state and this society. Through this book's reflection on what has happened in the last five years, we recognize all those who are working to improve the lives of children and families in this state and throughout the nation. We hope all of us can take what we learn and use it to make an even brighter future for all our children.

Carolyn K. Kroll & Michele Rivest

Introduction

Writing this book has given us an incredible opportunity to document the first five years of Smart Start, an amazing early childhood initiative in North Carolina, from the point of view we know best–that of executive directors of local Partnerships.

In our roles, we were all too familiar with the daily challenges and joys of implementing Smart Start in our own communities. We were building new nonprofit organizations, while building community. At the same time, we were caught up in the activities facing all executive directors–hiring staff, balancing budgets, communicating our work, developing Boards of community volunteers, and fundraising. We also learned about state audits and how to develop impeccable accounting and contracting systems. And we implemented state policy and created our own policies that later evolved to become state practice. To accomplish this, we worked long hours. But in the process, we saw tremendous excitement in our communities as we worked together to create new services and bring together existing services. Both of us witnessed what was possible when diverse sectors of our community came together in unprecedented ways to envision a future for children and families.

All of this was in the context of launching a revolutionary statewide initiative for young children. Nothing as comprehensive as Smart Start had ever been developed in North Carolina before. In fact, no state effort had even been instituted to address early childhood education. We were pioneers. Each of us was hired as the first executive director of our respective Partnership during the first two years of Smart Start: in 1994 for Orange County and in 1995 for Durham. Many times, when we were frustrated or exhausted, we would say to each other, "If only I had time to know what other Partnerships were doing, then perhaps this would be easier." We knew that what was happening in our communities was taking form and shape in various ways across the state, yet we didn't have time to look back or across the state to learn from others and to share our experiences.

After five years, we discovered a mutual interest in documenting these experiences from the local perspective. While others had evaluated the impact on children or gathered data about various aspects of program operation, we wanted to examine the daily life of local Partnerships and to share the lessons learned from five years of working as executive directors at the community level.

As participant observers, we thought we were uniquely qualified to do this research and to share this story. We thought the local Partnerships could best tell their own stories, in their own voices, and this is the publication we set out to produce. We believe that the lessons learned by local Partnerships will be valuable, not only as a reflection of what we have experienced, but as a road map for where Smart Start is headed. We also thought the lessons learned here in North Carolina could provide an invaluable resource to other states and individual communities as they shape early childhood education policies for children and families.

For the most part, this publication is based on the experiences of only the first half of Smart Start, those Partnerships that are commonly referred to as "Years One through Four" which began operating in 1994 -1998. "Year Five" Partnerships that began in 1998 are just recently, in 1999, beginning to implement services in their own communities. Their story remains to be told, and, undoubtedly, their experiences will reshape and transform Smart Start and take it to new levels.

To paint as complete a picture as possible, we surveyed all the local Partnerships to gather their perspectives on common areas such as organizational development, Board leadership, program services, communications, and fundraising. We then interviewed 10 executive directors and six state leaders to gain a deeper understanding. In selecting this subset of directors and leaders, we tried to achieve balance in two areas: first, we wanted to explore the diversity of Partnerships in North Carolina; second, we chose those that were in different stages of organizational development.

Then, to determine whether or not we were on the right track, we conducted a focus group with seven "Year Five" executive directors to confirm that the experience of executive directors from previous years would be relevant to them. A resounding "Yes" encouraged us to continue.

At each stage, we asked, "What lessons have you learned?" "What would you do differently?" "What has really worked?" We are grateful for the collective wisdom of Partnerships across the state for sharing the lessons they learned. We rounded out our research with a review of all of the major reports and studies that have been written about Smart Start. In the end, we used our own experiences to filter what we heard and to shape the focus of this book.

Each chapter, or "lesson," is organized around a major theme common to local Partnerships. It includes a background section on the issue from both state and local perspectives, then describes the experiences of local Partnerships in the "local perspective" section. Through "sidebars," we have featured several Partnerships to give the reader an inside point of view. Together, these chapters provide a comprehensive, although not exhaustive, insight into the world of local Partnerships that have been implementing Smart Start in North Carolina since 1994.

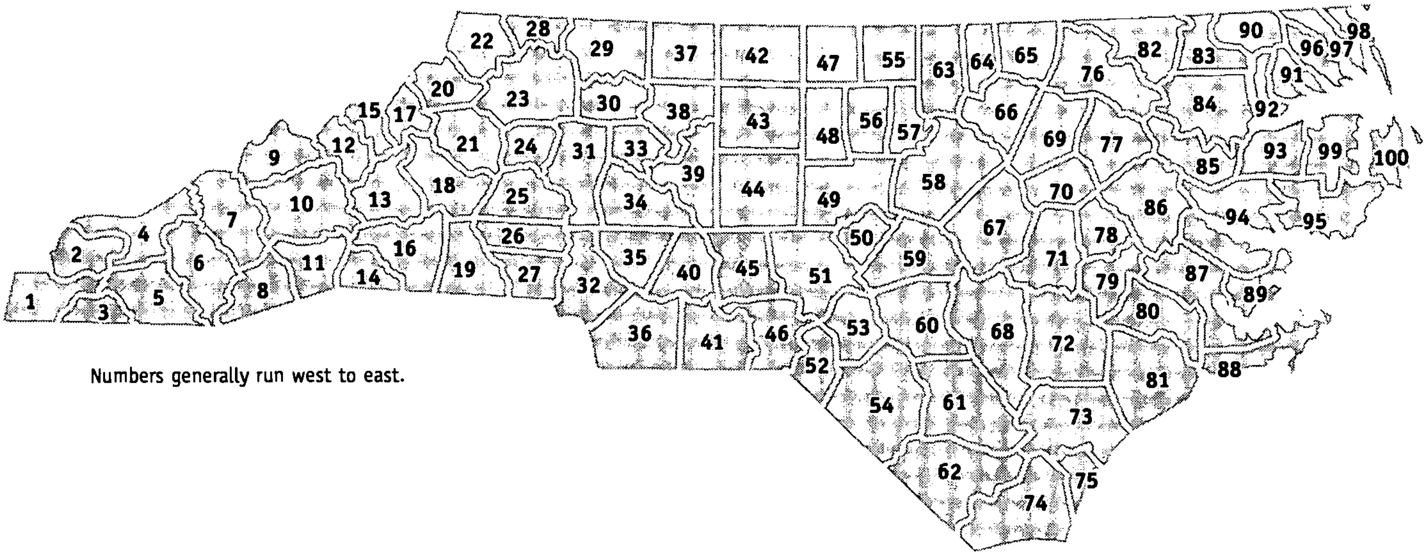
Dr. Richard M. Clifford, Senior Investigator at the University of North Carolina's Frank Porter Graham Early Childhood Center, graciously agreed to work with us on this publication. Dick served as one of the early developers of the Smart Start initiative and as the first Director of the Division of Child Development at the state Department of Health & Human Services that had responsibility for implementing Smart Start. Dick reviewed all of the chapters and provided both insight and wisdom as we struggled to give voice to the teachings from the local Partnerships. We value his support and encouragement beyond words.

We hope this publication will be beneficial to those who are traveling the Smart Start road here in North Carolina and throughout the country. As a pioneering statewide early childhood initiative, Smart Start in North Carolina is a rich laboratory of lessons learned. These experiences in community planning and program development--rarely reflected upon in the urgency to serve young children and meet the needs of families--can be invaluable guideposts as individuals, local communities, and state governments craft future initiatives.

To paraphrase the words of Robert Frost, North Carolina chose to "take the road less traveled" when it set out to develop a statewide early childhood initiative. On reflection, it has been a journey well worth taking--for us, as well as for the thousands of young children who are now healthy and ready to succeed because Smart Start has become a reality in North Carolina.

Carolyn K. Kroll and Michele Rivest

One Hundred Counties in North Carolina



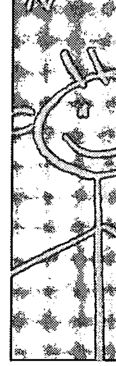
Numbers generally run west to east.

North Carolina Counties: by number

1. Cherokee
2. Graham
3. Clay
4. Swain
5. Macon
6. Jackson
7. Haywood
8. Transylvania
9. Madison
10. Buncombe
11. Henderson
12. Yancey
13. McDowell
14. Polk
15. Mitchell
16. Rutherford
17. Avery
18. Burke
19. Cleveland
20. Watauga
21 Caldwell
22. Ashe
23. Wilkes
24. Alexander
25. Catawba
26. Lincoln
27. Gaston
28. Alleghany
29. Surry
30. Yadkin
31. Iredell
32. Meckenburg
33. Davie
34. Rowan
35. Cabarrus
36. Union
37. Stokes
38. Forsyth
39. Davidson
40. Stanly
41. Anson
42. Rockingham
43. Guilford
44. Randolph
45. Montgomery
46. Richmond
47. Caswell
48. Alamance
49. Chatham
50. Lee
51. Moore
52. Scotland
53. Hoke
54. Robeson
55. Person
56. Orange
57. Durham
58. Wake
59. Harnett
60. Cumberland
61. Bladen
62. Columbus
63. Granville
64. Vance
65. Warren
66. Franklin
67. Johnston
68. Sampson
69. Nash
70. Wilson
71. Wayne
72. Duplin
73. Pender
74. Brunswick
75. New Hanover
76. Halifax
77. Edgecombe
78. Greene
79. Lenoir
80. Jones
81. Onslow
82. Northampton
83. Hertford
84. Bertie
85. Martin
86. Pitt
87. Craven
88. Carteret
89. Pamlico
90. Gates
91. Perquimans
92. Chowan
93. Washington
94. Beaufort
95. Hyde
96. Pasquotank
97. Camden
98. Currituck
99. Tyrrell
100. Dare

North Carolina Counties: alphabetically

Alamance	48
Alexander	24
Alleghany	28
Anson	41
Ashe	22
Avery	17
Beaufort	94
Bertie	84
Bladen	61
Brunswick	74
Buncombe	10
Burke	18
Cabarrus	35
Caldwell	21
Camden	97
Carteret	88
Caswell	47
Catawba	25
Chatham	49
Cherokee	1
Chowan	92
Clay	3
Cleveland	19
Columbus	62
Craven	87
Cumberland	60
Currituck	98
Dare	100
Davidson	39
Davie	33
Duplin	72
Durham	57
Edgecombe	77
Forsyth	38
Franklin	66
Gaston	27
Gates	90
Graham	2
Granville	63
Greene	78
Guilford	43
Halifax	76
Harnett	59
Haywood	7
Henderson	11
Hertford	83
Hoke	53
Hyde	95
Iredell	31
Jackson	6
Johnston	67
Jones	80
Lee	50
Lenoir	79
Lincoln	26
McDowell	13
Macon	5
Madison	9
Martin	85
Meckenburg	32
Mitchell	15
Montgomery	45
Moore	51
Nash	69
New Hanover	75
Northampton	82
Onslow	81
Orange	56
Pamlico	89
Pasquotank	96
Pender	73
Perquimans	91
Person	55
Pitt	86
Polk	14
Randolph	44
Richmond	46
Robeson	54
Rockingham	42
Rowan	34
Rutherford	16
Sampson	68
Scotland	52
Stanly	40
Stokes	37
Surry	29
Swain	4
Transylvania	8
Tyrrell	99
Union	36
Vance	64
Wake	58
Warren	65
Washington	93
Watauga	20
Wayne	71
Wilkes	23
Wilson	70
Yadkin	30
Yancey	12



Overview of Smart Start

We discuss, in this book, the impact of Smart Start on the local communities that implemented this early childhood development initiative. For readers not familiar with its history and structure, we offer this overview in an effort to provide context for the local perspectives we describe.

Rationale and Vision for Smart Start

The early years of a child's life are now widely regarded by scientists and child development specialists alike as the most critical for school success and adult productivity. In this period of early childhood–from birth through five years–profound changes take place in language, social skills, and cognitive development, particularly when a child's environment is rich with learning opportunities.

Numerous scientific studies in the 1990s confirmed what parents and other child care givers have intuitively known: the early years from birth through age five are the vital period of brain development. Science confirmed that affecting a child's potential after these early years is far more difficult–and, in some cases, impossible. Clearly, to help children reach their potential, we must start early.

As North Carolina entered the 1990s, the implications of the brain research and several other factors gave impetus to the development of an early childhood initiative called Smart Start, bringing it to the top of the public policy agenda. Concurrently, there was recognition of the need to improve the state's educational system, which historically ranked near the bottom nationwide in test scores. In addition, there was a longstanding concern about the state's miserable child care standards, which ranked in the bottom ten states on every indicator of child well-being.

Given these negatives, there was growing awareness in the business community of how vital the public education system is in remaining competitive and supporting both the current workforce and the future pool of employees. It was clear that the booming economy in North Carolina demanded new strategies to sustain its growth and prosperity and to prepare for the future.

As a result of these and other pressures, a new urgency to invest in early childhood activities to promote optimum learning and school readiness emerged. Smart Start set out to level the playing field for all children so that every child reaches the kindergarten door healthy, supported and ready to learn. Historically, not every child has had that chance. Smart Start's vision was to get services and support to every child so that it didn't matter whether that child lives in a rural or urban area of North Carolina, comes from a wealthy home or a poor one, is born to a teen mom or a married couple, is cared for outside the home or raised by grandparents. Through Smart Start, all children would have access to the services and resources they need in their early years to enable them to realize their full potential.

History and Development of Smart Start

In an attempt to address this situation, Governor James B. Hunt, Jr. organized a task force around early childhood issues before taking office for his third term in 1992. Out of these discussions, Smart Start was created as an early childhood initiative to "ensure that children enter school healthy and ready to learn." The authorizing statute (Article 3 of Chapter 143B), passed in July 1993 by the NC General Assembly, was entitled "Early Childhood Education And Development Initiatives."

Smart Start was set up as a partnership between the State and local communities to create and enhance a statewide infrastructure of early childhood resources that focus on improving child care, enhancing preventive child health services, and supporting parents in their child-rearing responsibilities. It was envisioned as a locally driven model, loosely based upon the "re-inventing government" approach, in which higher levels of government establish performance-based outcomes and then allow local communities flexibility and autonomy in devising means to attain them. The 1993 legislation stated, "It is the intent of the General Assembly that communities be given the maximum flexibility and discretion practicable in developing their plans" for young children.

The legislation designated the State's Department of Human Resources (NCDHR)–now the Department of Health & Human Services (DHHS)–to administer the Smart Start program and report quarterly on the results of the local demonstration projects to the General Assembly through its Joint Legislative Commission on Governmental Operations. The Department's responsibilities included the development of a statewide selection process for the first 12 sites, a needs and resource assessment for each of the 100 counties in North Carolina, administration of funds and contracts, and the provision of technical assistance to those demonstration sites.

A Division of Child Development (DCD) was created within the Department of Human Services to implement the Smart Start legislation. Dick Clifford, one of the early Smart Start planning team members, was asked to head this newly created agency as its first director. With Dick at the helm, the Division would oversee the Smart Start program, as well as the state's subsidized child care program and other programs serving young children. DCD wrote the regulations, hired program staff, and set up a request-for-proposals process to select the first 12 demonstration counties to which Smart Start funds would be funneled.

At the same time, the legislation created a nonprofit organization, the North Carolina Partnership for Children, Inc. (NCPC), as the state-level policy cabinet to provide oversight and integration of the local county Partnerships. It charged NCPC with oversight of 12 local demonstration projects, with one "pioneer" site to be located in each of the 12 congressional districts of the state. DCD and NCPC worked in tandem until 1996 when the legislature decided to redefine roles. At that time, administration of the Smart Start program and responsibility for technical assistance were transferred from the Division of Child Development to the NC Partnership for Children.

The 1993 legislation called for a "local plan (to) address the assessed needs of all children to the extent feasible," but went on to emphasize that "they shall devote an appropriate amount of their State allocations...to meet the needs of children below poverty and their families." It delineated the specific activities and services for which each local Smart Start allocation of funds should be used within three broad categories: child care services, family-centered services, and other appropriate services including health-related and staff/organizational development. The original legislation allowed either existing or new local organizations to be Smart Start Partnerships that would develop and implement plans to serve children and families in their areas. However, one year later, the legislature mandated that Partnerships had to be new, 501(c)(3) nonprofit organizations set up to receive a Smart Start grant.

In the legislation, the aggregate administrative costs to operate each local nonprofit organization were limited to 8% or less of the total Smart Start grants to counties. By legislative mandate, all matching support for this public-private initiative from the business community, or private sector, were required to total 5% of the annual Smart Start allocation. In-kind contributions of space and volunteer time were required to account for another 5% each year. Each local Partnership and the North Carolina

Partnership for Children are subject to review and audit by the NC State Auditor and required to adopt the Open Meeting Law and the Public Records Law.

Soon after the legislation passed in 1993, a request-for-applications was sent to the county commission and interagency coordinating council in each of the 100 counties. The application process called for (1) documentation of the needs of young children in that county, (2) participation of a diverse group of local leaders from all sectors of the community, and (3) a plan as to how they would address the needs of young children (birth through five) with a comprehensive and collaborative strategy. All but six counties responded and 12 pioneer Partnerships were selected in the first year.

The first 12 programs selected were: Burke, Caldwell, Cleveland, Cumberland, Davidson, Halifax, Hertford, Jones, Mecklenburg, Orange, Stanley, and Region A (comprised of seven counties in the western part of the state–Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain–plus the Qualla Boundary Cherokee Indian Reservation). The pioneer Partnerships represented a cross section of needs and resources, geographical locations, and all congressional districts.

State legislation required a specific composition for local Partnership Boards that included employees of specific community organizations such as school systems, social service agencies, health and mental health agencies, any university or community colleges, public libraries, county and city government, as well as low-income parents receiving child care subsidies, child care providers, business leaders, and faith communities.

In the initial administration of funds, Smart Start grants were made annually to the counties. By April 1st of each year, local Partnerships are required to submit a plan for the use of funds in the next fiscal year, beginning July 1, to the NCPC for review and approval. The Smart Start funding formula is based on the total cost per county to serve children who are estimated to need subsidized child care. The components of the funding formula for each county include: total number of children under five years of age, number of low income children, the costs of child care, and the proportion of other available early childhood funds.

These factors go into a calculation for the full-funding need of each county. Depending upon the budget total passed by the General Assembly each year, Smart Start counties receive a percentage of their fully funded need for that year. Currently, most allocations fall within 20% to 60% of the fully funded need. The local Partnerships use the allocation they receive to support the administration of their organization and to make program grants to community-based organizations that directly serve young children and their families.

The 1993-2000 funding figures in the chart below represent the total allotments to local Partnerships only.

Smart Start's Comprehensive Approach

North Carolina has taken a holistic approach to serving the needs of children through its Smart Start program, recognizing that services must touch all facets of a child's environment in the early years. While specific programs differ from county to county, Smart Start funds support local programs and services that focus on young children in five core categories.

- **Improving the quality of child care and early childhood education.** Smart Start concentrates on low child-to-teacher ratios, size of group, teacher training and education, and retention of child care workers. Programs in this category include support for classroom assessments, quality enhancement grants, teacher compensation tied to education, teacher training in CPR, First Aid, and playground safety.

- **Ensuring that child care and early education are available to every child who needs them.** The focus here is on programs to address the supply and type of child care in a community, or support transportation initiatives to get children to child care.

- **Making child care and early education affordable to all families.** In 1996, 67% of all women in North Carolina worked outside the home. At the same time, the child care cost per child was averaging $400 a month. Clearly, affordable child care is critical to the economic stability of families. In recognition of this reality, the law requires that a minimum of 30% of a local Partnership's Smart Start allocation be used to assist, or subsidize, parents with their child care costs.

Smart Start Expansion and Funding Chart

Table 1 summarizes the expansion of Smart Start from 1993-2000*

State Fiscal Year	Year Grant Made	# of New Partnerships	Cumulative # of Partnerships	Cumulative # of Counties Served	Annual Fiscal Budget Totals
93/94	1	12	12	18	14,453,810
94/95	2	12	24	32	42,442,482
95/96	3	11	35	43	53,580,864
96/97	4	12	47	55	63,618,364
97/98	5	34	81 **	100	91,865,615
98/99	6		81	100	136,755,828*
99/00	7		81	100	200,535,131*

* Budget and county data for 1998/99 and 1999/2000 are total statewide allocations, including amounts for both local and state Partnerships.

**Several counties have elected to form one Partnership together on a regional basis serving multiple counties.

These funds supplement other funding streams in the community, particularly federal and state subsidy funds distributed through local departments of social services.

- **Delivering comprehensive health care and education to all families and young children.** Smart Start funds for health and safety programs seek to fill gaps in child health care services. This may include the assessment of health care needs in young children, integration of health services in a community, health and safety consultations to child care programs, or starting direct health care services when no other services are available.

- **Supporting families with needed services.** Programs in this area include child care resource and referral, parent education, comprehensive literacy programs, or family resource centers.

Collaboration and Partnerships Within the Community

One of the hallmarks of the Smart Start initiative is its vision for communities to work together for the future of their children. Collaboration was one of the founding principles of Smart Start and has been one of its greatest strengths. The original legislation included funds to provide coaches and training on collaboration to local Partnerships.

Because the original legislation mandated involvement from all sectors of the community, all the partners sit at the Smart Start Board of Directors' table and join together to make decisions about the limited funds to meet their community's needs. Partnerships' decisions on funding often include incentives for local service providers to bring collaborative and innovative approaches to their proposals. As a result, the emphasis on collaboration has improved many relationships among local agencies within a county. Service providers now look for ways to coordinate with other agencies in their community in an effort to make service delivery more "seamless" for families.

Evaluation and Monitoring of Smart Start

The 1993 enabling legislation called for a formative evaluation on process and efficiency issues, and for a summative evaluation focusing on the ultimate effectiveness and outcomes produced by the program. A formal, statistical evaluation of Smart Start is managed by the Frank Porter Graham Center for Child Development at the University of North Carolina in Chapel Hill. To date, the UNC Smart Start Evaluation Team at Frank Porter Graham Center (FPG) has produced 17 narrative reports on various aspects of this initiative.

Monitoring of Smart Start occurs in many ways. The NC State Auditor's Office tracks and conducts extensive annual audits for each local Partnership and for the state

NC Partnership for Children. This work ensures fiscal accountability for all public and private funds going to Smart Start. The annual audit concentrates on the documentation of all Smart Start dollars administered by the local Partnerships, as well as all funds awarded to local community agencies and organizations by the local Partnership Boards for:

* services to young children and families,
* cash and in-kind donations (including the number of volunteer hours), and
* all business and other private contributions to the local Partnership.

Contract monitoring occurs at both the state and local level with competitive bidding practices, established contracting procedures, and requests for funds based upon actual expenditures. Accountability for performance is also monitored through the annual plan review process; outcome data are reported to the state quarterly.

The NC Partnership also extensively monitors the performance of the local Partnerships. It begins with an Annual Plan that each Partnership is required to submit. This plan details the needs and resources in each county and describes the various strategies the local Partnership intends to fund in order to address these needs. The plan is then scrutinized by a team of state, agency, and program experts. Once approved, the local Partnerships must submit quarterly reports and respond to other requests to document the progress and achievement of program outcomes. Financial reports must be submitted quarterly to document expenditures of both administrative and services funds in compliance with the approved contract.

Achievements of Smart Start

Smart Start has been recognized nationally for its achievement in significantly improving the early childhood education system in North Carolina. Among other honors, it has been awarded a two-year grant from the Carnegie Corporation in New York as one of only 16 programs nationwide to be a part of their "Starting Points: State and Community Partnerships for Young Children." It has also been showcased by the National Governors Association Center for Best Practices, helping to put North Carolina onto the *Working Mother's Magazine* list of the most innovative states for child care. Smart Start was even named one of ten national winners of the prestigious Innovations in American Government Awards, sponsored annually by Harvard University's John F. Kennedy School of Government and the Ford Foundation.

This widespread recognition of Smart Start's success is supported by the data:

- Since 1994, it has increased the number of child care spaces in North Carolina by more than 33,500.
- More than 50,000 families who couldn't afford to pay the full cost of care are now receiving subsidies.
- More teachers are remaining in classrooms longer to provide more consistent care because of projects supported by Smart Start.
- The quality of child care has increased dramatically as demonstrated by the 14% increase statewide in the number of AA-licensed child care centers from 1993 to 1998.
- More than 60,000 parents have received parent and health education through a variety of Smart Start programs.
- More than 97,000 children have been screened at an earlier age to prevent long-term health and developmental problems.
- Fragmented services for children are being reduced and an infrastructure of services for children and families is being created in all 100 counties.

As of July 1999, Smart Start has expanded to all 100 counties in North Carolina and full funding for all these counties is anticipated in the 2000-01 legislation session. The vision that all children will receive early and appropriate care to help them reach their full potential is becoming a reality across the state of North Carolina.

Some information in this history and development section was excerpted from the chapter, "History and Description of Smart Start," in Assessing the Needs and Resources for North Carolina's Smart Start Population, published by North Carolina Child Advocacy Institute on behalf of–and under contract to–North Carolina Department of Health and Human Services (Division of Child Development), 1999.

TIMELINE OF MAJOR EVENTS

In Development of Smart Start

1993

- Smart Start created through legislation and administered by NC Department of Human Services, Division of Child Development

1994

- 12 pioneer Partnerships began service delivery in January
- Initial funds requested are $20M

1995

- 11 additional Partnerships began
- Funding for collaboration/strategic planning removed from budget
- Performance audit by Coopers & Lybrand calls Smart Start a "credible" program but recommends significant changes

1996

- 12 additional Partnerships began services delivery
- State administrative functions moved from DHR to NCPC
- NC Partnership for Children (NCPC) new responsibilities required by legislature include: program fiscal agent, contracts management, compliance monitoring, technical assistance to local Partnerships, meeting cash fundraising requirements
- Legislative mandate that 30% of funds subsidize child care subsidies

1997

- Remaining (of 100) counties receive funds for planning
- Development of Core Services
- Legislative mandate that 70% of funds spent for child care-related activities

1998

- All 100 counties submit plans to implement programs and services
- Governor requests additional $57M for budget expansion

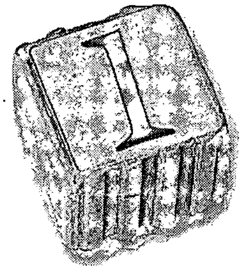
1999

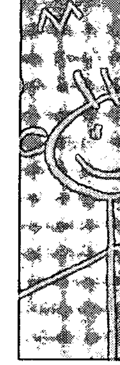
- Total funding is now $220M statewide per year

2000

- $300M total funding request now under consideration

L E S S O N





Leadership Makes it Happen

BACKGROUND

The Smart Start model clearly illustrates that, to launch an early childhood initiative on a statewide scope, it is vital and necessary for political will and leadership to come from the top. When people from outside the state of North Carolina first learn about Smart Start, they invariably remark on the leadership role that Governor Jim Hunt has played in its creation and statewide development. They make comments like, "What a vocal champion for children he is!" "How did you ever get a politician to speak so eloquently about child care?" "Where did you find a governor to support an issue so forcefully?"

The truth is, however, that generating political will at the top levels of government requires grassroots, community-based advocacy to support and inform state-level leadership. In North Carolina, such a team of activists–a team who had worked for years on the issues facing young children and their families at the local community level–came together to help Governor Hunt craft an early childhood initiative. Early in 1991, Hunt drew together a small group of early childhood education researchers, practitioners, and policymakers to discuss a strategy for his upcoming gubernatorial campaign that could address the future of North Carolina's public education system. These advocates educated Hunt on the long-term value of having every child reach the kindergarten door ready to succeed and learn. And, through their efforts during these early meetings, the concept for Smart Start was born. In 1992, Hunt was elected to his third term as governor.

The timing to launch such a statewide strategy couldn't have been better. Although North Carolina's economy was booming in the 1990s, Hunt recognized the growing concern in the business community that education–of both today's workforce and its future pool of employees–was key to the state's financial future and its competitive stance in a global economy. He learned that North Carolina's ranking on education and children's issues was abysmal, in the bottom tenth of all states. And he realized that resources to bolster the care and health of children early in life were badly needed.

In a previous term as governor, Hunt had established universal kindergarten in North Carolina. From this experience, he had learned two critical things to apply to the Smart Start initiative: first, it needed to be delivered in all counties and second, it had to produce results immediately in order for the legislature to fund it long-term. So, to build local community leadership and buy-in, he promoted local decision-making as a hallmark of this initiative. The membership on local Boards was to be drawn from all segments of a community–business, city and county government, education, religious, and others–so that local decisions were made by those closest to the community's needs. Hunt's political leadership enabled this innovative approach to gain widespread support with the result that funds were approved by the state legislature in 1993.

The dual promises of local autonomy and millions of dollars in public funds were sufficient incentives to bring community leaders together around a common vision for all children. Before Smart Start was created, community-based leadership on early childhood issues was often fragmented, spread out among child care resource and referral agencies, county government agencies, and certain nonprofit service providers. Moreover, local community services often competed against each other for limited resources to help families, since they lacked the time to effectively plan and work together with other agencies.

When Smart Start grants to counties became available in 1993, community leaders came together to apply for Smart Start funds. As part of the application process, counties had to submit both a needs assessment and a plan for the use of the funds, along with documentation about how parents, child care providers, and others could work together to deliver services to families. Sometimes, community foundations or interagency coordinating councils organized the first community meeting to put an application together. In other instances, the coordination of activities to apply for a Smart Start grant might fall to the United Way, or to the community foundation in that county, or to an existing local group concerned about children issues. And, in certain cases, the local community college or county cooperative extension agency led the process. The application phase often set the vision for that county's use of Smart Start funds and the leadership to guide the implementation of the grant. As a result, individuals in each county were stepping forward to lead the community planning process that would result in an application for funds.

After a county received a Smart Start grant award, initial planning yielded to policy-making, as some of those involved in the application process took seats on the Partnership Board. At this point, then, local leadership changed its focus from creating a vision for children to making decisions about how to plan for and spend Smart Start funds for specific programs. To accept the receipt of a Smart Start grant, counties could use either an existing agency or set up a "new" nonprofit organization to implement the grant. In the second year of Smart Start, however, the NC legislature amended the regulations to mandate that funds be placed with newly established 501(c)(3) organization. This meant the set-up and operation of another community organization, the Smart Start Partnership, to heighten the visibility and support of early childhood development issues in each county.

The biggest challenge for local leadership was the Board make-up mandated in the Smart Start legislation. Unlike most nonprofit boards of directors, members had to be recruited to fill specifically designed "slots," or positions, that adhered to the specified representation established in the Smart Start legislation. Not only were these slots required to be filled by local child care providers and parents of children receiving subsidized child care, but by community leaders from business, the school system, churches, foundations, local hospitals, and local government.

The rationale behind crafting the mandated representation was to foster collaboration and communication by bringing all segments of a county together to make decisions for children. However, this mandated board structure also created several barriers to the implementation of this initiative. These barriers included turf, conflict of interest, and power balance issues and impacted each local Partnership in various ways.

LOCAL PARTNERSHIP PERSPECTIVES

Turf Issues

Smart Start Partnerships were the "new kids on the block" in comparison to the public agencies and organizations already serving children. In each county, departments of social services, health, or mental health had long histories of delivering services to young children and families. Many of these agency directors felt, therefore, that the public funds going to Smart Start should be poured directly into child care subsidy and other programs already delivered within their departments. Not surprising, United Ways in various counties saw Smart Start as competition for their fundraising base. And child care resource and referral agencies that had existed for years considered Smart Start a threat to their leadership on child-related issues. These turf issues had to be addressed, especially in counties like Mecklenburg, Durham or Orange where strong CCR&R (child care resource and referral) agencies were established leaders in their communities and had been working on child care issues for decades.

With the introduction of Smart Start, all these "turfs" came together: local organizations and agencies placed voting members on the Smart Start Board and assigned representatives to working groups that made funding recommendations to the Board. Understandably, the outcome was problematic: while these agency leaders brought greater expertise and experience to Partnership Boards than some representatives, their impartiality came into question. Were they, in fact, placing priority on funding their own and each other's organizations? Naturally, when service providers discuss topics about which they are most knowledgeable, they are often viewed as advocating their own causes or programs.

Conflict of Interest

Another challenge was maintaining neutrality in a situation in which administrators of funded programs were also deciding where Smart Start funds should be placed. Conflicts of interest occurred when those Board members who were experts in delivering early childhood services were also the logical recipients of Smart Start funds. This meant that Board members voting to grant funds to a specific local program were often the very people in charge of the delivery of services by those same programs. Many saw this as an inherent flaw in the make-up of Smart Start.

To meet the leadership challenges posed by the mandated Board positions, Partnerships took different approaches. Some, like Durham or Forsyth County, adopted policies requiring Board members to declare any potential conflict of interest (e.g., with their employer or their spouse's employer). Though not legally binding, these policies usually require Board members to sign agreements that they will (a) remove themselves from votes in which a direct conflict exists, (b) declare their affiliation when in review of proposals and discussions on funding, and (c) act objectively and in the best interest of the entire community, not just their agency.

Other counties established working groups comprised of community participants whose mission was to review funding proposals and make recommendations for funding to the Partnership Board for a final vote. To reduce the appearance of conflict of interest, many Partnerships did not allow Board members with a direct stake in an agency or program to review a proposal from or vote on funding for it. Most Partnerships, however, saw the community's "greater good" as the motivation for all Board members and relied on members to allocate Smart Start funds to those programs that met the stated criteria for funding and would provide the best outcomes for children.

Yet, in spite of the best intentions to serve children with the greatest needs, some counties struggled with overwhelming conflict of interest and turf issues. In Mecklenburg County, for instance, close to 70% of its total Smart Start allocation is placed with the county's department of social services (D.S.S.) to subsidize child care tuition. And the D.S.S. director was the chairman of the Partnership's Board when this decision was made. Understandably, a 1996 Smart Start Performance Audit by the national accounting firm Coopers & Lybrand recognized this ongoing conflict of interest challenge for local Partnerships. Throughout its development, Smart Start at the local and state level has struggled to be true to collaboration while avoiding conflict of interest issues. Only recently, in 1998, did the state legislature relax its mandate for the makeup of Partnership Boards and remove the legislative requirement that a set number of elected state senators and representatives sit on the state Partnership's Board. However, a representative from the local Board of county commissioners still remains a mandated seat on a local Partnership's Board.

Turnover

These mandated slots on a Board did not always include community members who had initially been heavily involved in creating the vision during the application process. Once a nonprofit Partnership was established, the leadership shifted to Board members who were public government agency directors or recipients of public funds. So, as the focus turned away from planning the vision for children and toward placing funds to implement local programs, some Board members who had been invested in the early planning process drifted away.

Then, because the transition from coordinating planning activities to handling administrative and operational details was sometimes difficult, it led to further Board turnover. In addition, the process of hiring an executive director often took six to eight months after the receipt of the grant, which meant that Board members had to keep the organization going by performing budgetary and program development duties. So when an executive director was hired, Board members had to shift their focus yet again from administration to policy development.

Balance of Power and Non-Traditional Stakeholders

Due to the mandated makeup of a Board, public agency representatives often formed a significant voting block on the local Partnerships' Boards. In fact, eight of the 18 mandated slots had to be filled with people either employed by, or elected to, positions in county government. This created a dilemma both for those serving on the Board and those making recommendations to the Board. Parents, child care providers, and business representatives do not bring the same style of leadership, or an equal voice, to Board discussions as do public officials who are either elected or appointed and familiar with operating in a political environment. While many Board members were agency directors who served as staff to their own Boards, still others–like the superintendent of schools or a university president–had a high degree of board experience gained from serving on corporate, chamber of commerce, or hospital boards.

In addition, such "nontraditional stakeholders" as parents of children receiving child care subsidies were required by legislation to be on Partnership Boards. Yet their involvement in long nightly meetings, their experience in debating policy issues, and their skill to give voice to their children's needs were often limited. One parent expressed her fear when first sitting next to the county director of social services. "This was the man that I saw as the cause of all my problems and frustrations when I went to the D.S.S. agency. He had the power to take my kids from my home and to withhold the child care stipend I depended upon." On the other hand, hearing what that parent had to say as a consumer of public services was very important to the collaborative vision of Smart Start and to addressing the needs of a community's children. Most local Boards, like Durham's Partnership for Children, established a policy to reimburse the child care and transportation costs of low-income parents to allow them to attend meetings.

An added pressure exists when decisions are made about limited resources and Board members have to choose between funding new programs, continuing existing programs, and funding only programs that have demonstrated positive results. Board members face yet another dilemma when, by consensus, they have to decide not to fund certain agencies who sit on the Board. As one person noted, "We analyze proposals for Smart Start funding more critically when potential recipients of funding are not sitting in the room and tend to be more silent when potential funding recipients are there to voice support."

Role of Executive Director and Staff as Leaders

The relationship between an executive director and the Board is a key leadership issue. Successful executive directors need to be multi-faceted to launch new organizations and build the organizational infrastructure to handle a large allocation of state dollars.

Some executive directors arose out of the grant application process where their leadership in the community was apparent. Their work in meetings to coordinate the application data resulted in close relationships with other leaders in the community who ended up taking seats on the Partnership Board when the grant was received. As one local executive director put it, "One of the greatest challenges for an ED is that I am both colleague and supervisor of members of my Board. I have been a community activist and worked with and against some of my Board members on various issues in the past. I am both the supervised and the supervisor and sometimes it results in awkward relationships."

Some Smart Start Boards looked for executive directors with experience in early childhood programs; others hired based on previous management experience with fiscal and administrative skills. Occasionally, Boards found both program development and organizational management skills in one person. Strong community ties and management ability were equally important in making the collaboration process run smoothly. Often, a strong executive director spent most of the time facilitating the group interaction of a board, in order to achieve successful collaboration.

Metropolitan counties that already had established infrastructures of services for children often needed executive directors who were strong administrators to establish a visible Smart Start presence. Rural counties, with less service infrastructure, often hired directors who could shoulder the whole load of developing and implementing programs, as well as building and maintaining what was often the only organization in that county with any resources to serve young children. Executive directors also provided leadership at the state level by bringing a local perspective to the decisions being made by the North Carolina Partnership for Children and the Division of Child Development. At one point, local Partnership executive directors formed a statewide association to bring suggestions on program and policy issues to the state Partnership's Board.

Board Leadership

One question posed frequently by Board members was "What role should I play?" Those members who served on the application committee to get Smart Start funds, for example, had taken responsibility for the day-to-day tasks involved in coordinating meetings, collecting information, and writing a grant. As a result, they were familiar with the administration of the organization long before the Board hired an executive director. So they had special expertise to offer from an administrative perspective.

Other Board members saw their role as spokesperson and public relations manager. Still others felt they served in the standard Board member role of reviewing policy and authorizing budgets. And those members who worked on the frontlines of child care were used to program development; they felt their role was less policy, more specific program review and coordination.

Given the diversity of Board member backgrounds, development and training exercises were generally acknowledged to be a good idea. However, since hiring an executive director and staff, creating a strategic plan, and formulating a budget were a first priority, this training was pushed to the back burner. Timing pressures were one reason. Upon first receipt of state funds, a new Partnership had to expend those funds in their county within a six- to eight-month period. And program review and funding decisions to meet this deadline took inordinate chunks of a Board member's time. As a result, leadership training, team building, and defining roles were not often a priority for Smart Start Boards.

Beyond timing pressures, there were other obstacles to scheduling training. One of these was perception. Resources for planning and Board development were not always seen as an expense a local organization could afford. One reason: spending tax dollars for activities not believed to have a direct impact on young children was considered suspect. Another obstacle was financial. In the early years of Smart Start, collaboration training was funded for all Partnerships as an attempt by state leaders to build team leadership and a shared vision at the local level. However, after the first two years, it fell to the local organizations to find the time and money to do their own training.

Regardless of these pressures, many Boards did find both the time and resources to offer training, usually in half-day or weekend retreats. For them, the value of getting together–away from their normal environment–was significant.

And with or without training, involvement in a collaborative environment also had significant benefits. Community leaders serving on Partnership Boards gained a broader perspective of the value of local services. School officials sitting at the table, for example, saw how children coming into kindergarten were clearly impacted by the programs that D.S.S. or the preschools provided. By working together to address and plan issues for children in their communities, they saw how much they had in common.

LESSONS LEARNED

- **Local organizations need champions at both state and local levels who can lead effectively.**
The importance of board chemistry and ongoing board development activities cannot be overstated. An initiative based on local autonomy needs clear policy direction from the state level to be successful.

- **Initiative needs to be rooted locally to create involvement from diverse sectors of the community.**
Before Smart Start, there was little interagency collaboration or communication; each local agency focused on serving its defined population with no knowledge of what the other social service agencies were doing. The ripple effect from crafting this initiative locally has been widespread. It has fostered an impressive groundswell of commitment and involvement in early childhood issues in every community across this state because communities feel ownership of it.

- **Conflict of interest is an issue that will occur if local agency representation is at the Board table. It needs to be managed from the beginning.**
The mandated composition of the local Smart Start Boards fosters collaboration, but also means that members voting to grant funds to a specific local program are often the very people in charge of the delivery of services by those same programs.

- **A strong executive director is vital to the success of Smart Start.**
Strong executive directors are strong communicators, possess a high degree of authority, and have a clear vision for Smart Start in their communities. Strong community ties and management ability, along with a facility for enabling the collaboration process to run smoothly, are necessary to run a Partnership successfully.

- **New styles of community leadership are key from local individual champions, not just organizations.**
Just as community environments, cultures, and needs vary throughout the state, leadership styles must vary according to the needs of specific communities. The "one size does not fit all" model must be valued and recognized in any statewide initiative.

A STORY FROM ASHE COUNTY

What are the key ingredients of an effective Smart Start Board? Carol Coulter, the Executive Director of the Ashe County Partnership for Children, believes the recipe calls for a strong Board chair who is committed to facilitating a collaborative planning process and a shared belief that "everybody has something to offer." The Ashe County Partnership Board, recognized with the Smart Start Award for Collaboration in 1996, exemplifies this kind of leadership and its value to a community.

Ashe County is a small, rural county located in the northwestern corner of North Carolina. It is an area with little industry, no United Way agency, and a total population of just over 23,000 people, including 1,365 preschool children. Children and families spend their time in schools or church-related activities, because there is no YMCA or similar community-gathering place. People tend to live here because they love the mountains and a sense of community. And they remain in the county for a lifetime; job turnover is low. Many of the Board members have been in their jobs for many years and have developed considerable expertise and confidence in their fields.

Even before the county received a Smart Start grant, a "collaborative spirit" existed. As is the case in rural towns with small populations, there was a history of working together with the same people rotating on and off various community boards. The Smart Start Board came together under the early leadership provided by the county cooperative extension office, with Julie Landry as the first Board chair. Under her leadership, the Partnership crafted its original mission "to build partnerships between parents and organizations and mobilize public and private community resources in order to help strengthen children and families."

The Board enthusiastically engaged in the Collaboration Training offered by the Division of Child Development in the early years of Smart Start and then went on to group training in the Covey Method. Out of these experiences, the Board came to appreciate what each partnering agency could bring to the table. It recognized that not everyone had equal resources and that dollars weren't necessarily the only contribution to be made. Regardless of whether it was money or creative ideas, the Board viewed each member as bringing added value to the Smart Start process. From the beginning, the Board broadly defined its target group as all children, not just young children ages 0-5, to ensure that all sectors of the community could be part of this team.

The Board members worked together a full year before hiring an executive director. This period allowed them to take full ownership for the services it developed and to carefully consider its role within the community in the development of more effective services. Under the Boards' leadership, the Ashe County Partnership has come to be viewed as the service hub in the county. That means the Partnership itself provides some direct services, such as the Family Resource Center, although many agencies contribute different types of activities for children and families. It also agreed to serve as the site for programs being implemented by other agencies, including the child care referral and subsidy programs, which are activities of the local social services department. According to Coulter, one of the hallmarks of the Partnership is that it offers a warm and inviting family-friendly space and great hospitality to which consumers come for services.

It's this kind of community spirit that inspired the latest collaborative vision of the Partnership. At the request of the Partnership Board, the community secured the rights to a 52,000-square-foot school building that the county commissioners had voted to retire from use by the school system. The Board has agreed to serve as the lead for a capital campaign to refurbish this building to accommodate ten different community service agencies in the new space. With support from a private foundation, the Partnership will soon hire a shared resource developer to manage the campaign for all of the partnering community agencies.

After four years, although Board chairs have changed, the core of the original Smart Start Board remains as actively involved as it has ever been. This collaborative leadership team has accomplished some remarkable results in just four years. For example, all new parents receive a home visit within four weeks of the birth of their child, childhood immunizations are now obtained on time for over 95% of the children entering school, and every preschool teacher has achieved preschool teaching certification. The Partnership's budget for funding has grown beyond its Smart Start grant allocation with more than 40% of its revenue coming from other sources. This is a true test of its collaborative approach and mission.

A STORY FROM BUNCOMBE AND ROBESON COUNTIES

Business Leader

Just as Smart Start had an invaluable champion at the state level in North Carolina's Governor Hunt, it also had countless advocates at the community level. "Every cause, every community, every child deserves a champion," according to the Buncombe County Partnership for Children's nomination form for the Local Champion Award presented each year. The Smart Start initiative has many such supporters in various counties across the state.

Almost every local Partnership can point to a pivotal person who used vision and hard work in getting that first Smart Start grant, or setting up a new nonprofit organization, or starting a new program. Highlighted here are just two examples of local leadership: one of a businessman and one of a community activist.

According to the Local Champion Award nominating him, Charles D. Owen, III "tirelessly and diligently pursued, persuaded and persevered to ensure that Smart Start would happen for Buncombe County. He unabashedly parlayed his stature in the community, region, and state on behalf of young children."[1]

As a highly respected corporate executive of one of western North Carolina's major employers–as well as a dedicated volunteer and a fervent child advocate–Charlie Owens inspired many other business and civic leaders to take up the cause of their county's youngest citizens. Through his dedication and integrity, he signaled to taxpayers, legislators, and other leaders that Smart Start would be a positive, community-enriching opportunity.

From the beginning, when Smart Start was just in the planning stages at the state level, Charlie saw the potential for an effective partnership between the State government and local communities to fund locally guided grassroots programs. Demonstrating his commitment, he made the five-hour drive to the state capital in Raleigh several times, all the way from the city of Asheville in the mountains of western North Carolina. During these trips and in countless phone calls, he worked to educate, motivate, and persuade legislators of the unquestionable need for Smart Start. Many people believe that Charlie's unflagging passion in the value of quality early childhood education made a difference to a reluctant General Assembly when the original Smart Start legislation was on the brink of defeat.

During the Buncombe Partnership's inaugural years, Charlie was its Chairman. With his unmatched enthusiasm, he worked with the Nominating Committee to build a Board of Directors that combined the diverse interests of the region–from legislators to legal services, from parents to providers, from advocates to agencies. He gave the Partnership an amazing amount of energy, while engaged in an array of other responsibilities as Chair of the United Way Board of Directors, President and owner of a major industry, devoted husband, and committed father. When business sent him all over the United States and world, thereby making it impossible for him to attend the three, four, or even six Smart Start meetings a week, he stayed in touch with key players by phone, often calling from airports on the run.

After the Buncombe Partnership received a Smart Start grant, Charlie was a hands-on Chairman. He worked on committees, recruited executive staff, gave speeches, reviewed proposal bid packages, refereed Board battles, and made TV appearances.

Charlie even sponsors an annual award for child care providers in the community, who are touched by his personal investment in their profession. In addition, Charlie served on the Board of Directors of the Swannanoa Valley Voices for Children as they worked to build and operate a model child care center. And he reaffirmed his commitment to child care and to his employees by pledging a large gift to the center's campaign. Through the gift from his company, Owen's Manufacturing, he ensured that his employees' children would have access to quality child care close to the plant where their parents work.

His personal influence on strategic planning, allocation of funds, and program development committees is still felt four years after Buncombe's inception. It's not an exaggeration to say that his intuition, political skills, common sense, clear thinking and ability to accomplish a new and daunting task are unparalleled. And his leadership and talents were instrumental in the building of a strong foundation for a successful nonprofit organization that is now an important resource for young children in the area.

Volunteer Leader

Across the state from the North Carolina mountains lies Robeson County, a diverse area represented by three major populations: American Indians, African-Americans, and whites. With little major industry to support the economy, these populations co-exist uneasily. In 1995, a group of leaders in Robeson

County came together to talk about the future of their community. Fordham Britt was a member of this group.[2]

Even before Smart Start began as a state initiative, Fordham was a leading community activist, having planned a KIDS COUNT conference to launch an intense effort to assess, plan, and provide services for this county's young children. Through the KIDS COUNT assessment process, the community identified areas where more support services for children and families were desperately needed. Fordham spent countless hours attending planning meetings in the county, as well as meetings across the state–advocating for Smart Start and bringing important information back to Robeson County. Once the state legislation was approved, she assembled a planning team and organized a countywide effort to apply for a Smart Start grant.

Unfortunately, Robeson County's application for Smart Start was not selected in the first round of funding; it was even denied a second time. While many wanted to give up after these two defeats, Fordham Britt took this as an opportunity to bring fresh faces to the table and solicit new perspectives to address the issues. Her advocacy helped secure foundation grants to get several programs off the ground without Smart Start. For instance, she was instrumental in bringing child care resource and referral services to Robeson County. And she obtained a Duke Endowment grant to bring a parenting program to families in the outlying areas of the county where child abuse and neglect rates were especially high. She even went so far as to lead a planning team to establish a Board of Directors and form a non-profit organization to create a comprehensive plan for young children and their families. This plan eventually became the Smart Start application that was successfully funded in the third round of Smart Start grants.

For two years, Fordham served as Chair of the Robeson County Partnership for Children Board of Directors. No longer a Smart Start Board member, Fordham currently continues her efforts and legacy of hard work in many ways. In 1998, for instance, she served on the Governor's Summit. And she has served as an advisory board member for such organizations as Families and Children of the 7th Congressional District, the Pines of Carolina Girl Scout Council, Robeson County Group Home, Robeson County Child Advocacy Center, Leadership North Carolina, and Volunteer Families for Children.

Recently, Fordham brought the nationally recognized Healthy Steps program to Robeson County. Sponsored by Smart Start and the Lumberton Children's Clinic in Robeson County, Healthy Steps uses enhanced pediatric well child care to encourage mothers and fathers to be informed and recognize ways to optimize their children's healthy growth and development. She continues her tireless efforts on behalf of the children and families of Robeson County.

Fordham is one of many visionary citizens around the state who took on enormous challenges, faced countless obstacles, and persevered to make a significant difference to the children of North Carolina and her county.

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[1] Information on Charles D. Owens III excerpted from 1998 Smart Start Local Champion Award nomination submitted by Buncombe County Partnership for Children, Ron Bradford, Executive Director.

[2] Information on Fordham Britt excerpted from 1998 Smart Start Local Champion Award nomination submitted by Robeson County Partnership for Children, Janelle Nesbit, Executive Director.

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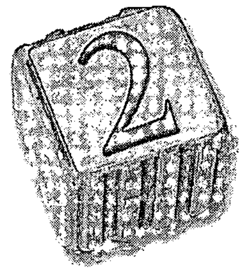
L E S S O N 

Plan Before You Spend

BACKGROUND

The early developers of Smart Start envisioned the initiative as a means to create large-scale community change focused on young children and families. The vision was to build the capacity of communities, through collaboration, to act on their own behalf–as long as the impact was on families and children. Crafted as a "bottom-up" approach to government, Smart Start initially set out to foster local decision-making and help communities come together to meet the needs of young children and their families.

According to the original 1993 Smart Start legislation, guidelines about the usage of Smart Start funds were minimal to be sure that local counties had "the maximum flexibility and discretion practicable in developing their plans" for young children. While it did not delineate the specific activities and services for which each local allocation should be used, it did say that funded activities had to fall within three broad categories: child care services, family-centered services, and other appropriate services including health-related and staff/organizational development.

Each county's core planning team was to be the local Partnership Board of Directors, with a specific composition of members as defined in the legislation. This mandated team offered unprecedented opportunity to bring together elected officials; directors of human services agencies; public school, university and business leaders; providers of child care; low-income parents who were working or receiving child care subsidies; clergy; health professionals; and volunteers involved in early childhood activities. With these key players at the table, Smart Start designers believed that collaborative relationships could be fostered and priorities set for that community.

As local Partnership organizations began to operate, they faced different sets of challenges, often based on their origins. Some Partnerships, for example, were "the new kid on the block" with no track record as nonprofit organizations. Other Partnerships arose out of already existing clusters of community members or programs that had been addressing children's issues in that county. And some were seen as interlopers–that is, as new organizations arriving on the scene with lots of money, threatening to compete with and possibly supplant existing organizations already serving children and families. However, many welcomed these new organizations for bringing a much-needed focus–and long-awaited resources–to children's issues.

The original legislation called for each county to receive training in collaboration strategies and a planning process to follow. While local Partnerships initially developed

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their own plans, the state Smart Start organization later developed a template for structuring the plan, not the process. After the second year of the initiative, local Partnerships had to submit annual plans that followed a set outline. How they developed the plan and addressed their community's needs remained a local process. However, during each subsequent year, more guidelines for the content of a Smart Start Annual Plan were developed by the state to provide those counties entering the initiative in years four and five with a more prescriptive process to follow.

As a result, the programs and services these later counties put into their plans were often replicated from what counties had done before them. The drive to meet the state-set guidelines sometimes meant that the later counties condensed their planning process to eliminate community-wide involvement, or updated previously submitted plans, or relied heavily on outside consultants and the plans of other Partnerships to shape their goals. This rush to meet state guidelines often diminished the individual approach to planning that was based upon specific county needs and led to a "one size fits all" homogenized approach.

The Smart Start vision involved using local community needs data to build a plan for addressing those needs. "Strategic planning needs to be based on facts, not just people's assumptions," one Partnership Executive Director noted. The facts, however, were not always readily available when a Smart Start grant was awarded to a county. Sometimes, the community needs assessments were outdated and often the assessments were produced based on a statewide, rather than a local, perspective. In the first years of Smart Start, the NC Division of Child Development gave a $15,000 stipend to counties to obtain a community needs assessment at the local level. But many Partnerships found it difficult to perform both an assessment process and an annual planning process at the same time, while struggling to set up their organization's administrative operations.

Because of variances in diversity and need from county to county, the planning processes varied dramatically. While some counties involved only the 20 or 30 Partnership Board members in the process, others organized community-wide focus groups that brought hundreds of people into the picture. Similarly, some counties developed a plan for "how to spend the money" within a few weeks; others entered into a six- to eight-month process to define the needs and set goals and objectives in a long-range plan.

Fiscal Year Spending Constraints Impact Planning

For all Partnerships, one requirement had a dramatic impact on planning: public funds had to be spent within one fiscal year. Here's how this worked: the deadline to submit a county annual plan in order to receive or renew any Smart Start grant was April 1, which was three months before the June 30 close of the fiscal year. The part-time state legislature typically convened in April or May, received the governor's budget proposal, and debated a state budget for several months. The state's fiscal year began July 1.

This meant that local Partnerships scurried to determine their goals and programs to fund for the upcoming fiscal year. They put these decisions into their annual plans submitted by April 1 to the state organization. Then they waited to see what was in the state budget for Smart Start as voted by the state's legislature. Often, the state legislature did not complete their deliberations by July 1. Local Partnerships waited into September and October before a final decision on the amount of that year's allocation was known. Thus, the plan submitted by April 1 often did not have funding for local programs until four or five months after the start of a fiscal year. These funds had to be spent locally by June 30.

In the first five years of Smart Start, the state legislature failed to agree on a state budget before the June 30 close of the fiscal year and debated into August and September of the following fiscal year. So while the local plan had to describe in detail how funds would be allocated in the following fiscal year, they often had to be submitted months before locals knew the amount–or allocation date–of state funding. Early in the development of Smart Start, this was a major challenge for local counties that were still immersed in disbursing funds in the current fiscal year and, often, had not tackled a plan for the future. Even now, when Smart Start has moved to two-year allocations, it is still a planning challenge to meet the constraints of the fiscal year budget process.

In the first year of Smart Start grants, there was enormous pressure to spend the funds at the local level before the fiscal year ended on June 30. Since the first state funds did not actually flow into the first 12 counties until January, it meant that counties had a scant six months to disburse the dollars into local programs–and produce results. This "rush to spend" caused many local planning processes to get pushed into the background and hasty decisions to be made. It soon became clear that there was increasing tension between the need to spend the funds before June 30 and the equally important need to involve a wide spectrum of the county in planning, so that the funds could be spent effectively.

Each Year Brought Changes to the Planning Process

The lesson to "plan before you spend" has been learned over the last few years of the Smart Start initiative in North Carolina. Based on the experience of first year Partnerships, modifications in planning and spending timelines were made. For instance, in the second year of Smart Start, local Partnerships were awarded only a six-month allocation–rather than the whole year's allocation–so they could devote more time to a planning process. These second year counties were also allowed to "carry over," from one fiscal year to the next, any unspent funds as of June 30. Then in the third year, counties were awarded only a planning grant of $50,000 and requested to develop a strategic plan with the promise of funding for implementation in the following fiscal year.

By the fourth and fifth rounds of Smart Start funding grants, Partnerships were offered technical assistance and funds to use for a full year of planning before receiving implementation funds. However, those counties entering into Smart Start in the fifth year have complained that they had already been doing planning for three or four years during previous applications for Smart Start grants that were denied. As a result, year five counties have reported an increase in frustration, partly because of a decline in involvement from community participants. Many of these participants have simply tired of writing plans and want to take action.

Fortunately, as of 1998, all 100 counties in North Carolina are receiving Smart Start funds. What this means is that planning will now be part of a continuous process to evaluate and monitor program outcomes based on previous expenditures and plans–rather than being a standalone process required to be awarded a Smart Start grant. Annual renewal of grants based upon movement toward results for children will be the focus now, rather than development of an entirely new plan for services each year.

LOCAL PARTNERSHIP PERSPECTIVES

Based on the pressures we've described, there was little–if any–comprehensive planning during the first year of Smart Start that looked at what already existed within community service programs or defined the community's needs. Instead, those early Partnerships tended to rely on what they already knew to make their initial decisions.

Several counties were not starting from scratch, however. For instance, counties like Mecklenburg and Orange already had established child care infrastructures. So they put their funds immediately into viable, ongoing programs. In addition, Mecklenburg, the wealthiest and most populated county in North Carolina, turned to its well-organized and long-standing child care agency, Child Care Resources, Inc., for direction and information. And Orange County enjoyed the leadership of an established community Child Care Task Force that had done extensive planning and coalition building on early childhood issues before it was awarded a Smart Start grant.

Another first-year Partnership, located in the western part of the state, was fortunate to have the involvement of numerous constituencies and a complete needs assessment to draw upon for its early decisions. The Region A Partnership, located in the Appalachian mountains where people are often very poor and separated by distance, is composed of seven rural counties that came together in the early 1970s to receive federal monies under the

Appalachian Regional Commission, or ARC. So when these seven counties received a Smart Start grant in 1994, they had already been planning and discussing their needs for several years under an ARC grant. And they enjoyed a long history of working together and using consensus to make decisions.

In the second year of Smart Start, Durham County was awarded a grant and had three months from October 1994 to January 1995 to decide where to place first its implementation funds. The Durham Partnership Board hastily made funding decisions in this timeframe during a frantic period that included recruiting Board members, setting up the organization and hiring staff. Like most counties, to meet this challenge, Durham awarded funds to several existing programs within the county to continue the services they were already providing. However, since specific outcomes for those programs had not been defined, funding for them sometimes had to be reversed in later years, if it became clear that they were not meeting the priorities that emerged during the planning process.

Knowing that they did not want to make their next round of funding decisions in haste–and without a long-term plan–Durham's Partnership entered into an extensive long-range strategic planning process in March of 1995. The Board and staff recognized that they jeopardized the renewal of their Smart Start grant by not meeting the state's requirement to submit a plan by April 1 in order to receive funds in the next fiscal year. Yet, they felt the short-term commitment of time into a planning process would mean better results for children and a more effective investment of public funds in the long run.

Durham put everything else on hold and launched a lengthy process to generate broad-based participation, so that, as a community, they could define both desired outcomes for children and effective strategies to get to those outcomes. They also broadened the goals to go beyond child care; they wanted to consider how community-wide systems changes could impact the way services for children and families were delivered. So, as a first step, the Partnership conducted a series of focus groups and surveys to solicit input from parents about their perception of needs. In this way, subsequent goals could be structured to address those needs. Critical to their success was a planning process design that ensured that all voices in the community were heard and all interests represented. That year, the state did not withhold renewal of their Smart Start grant, even though Durham's Annual Plan was submitted late.

Learning as they went along, the state mandated a planning period for third year counties in which no funds were allocated for program implementation at the local level. By the fourth year, more than half of the 100 counties in North Carolina had submitted Smart Start application plans but been denied an award of funds from the state. One such county, located on North Carolina's seacoast, decided to continue their efforts without Smart Start funds. Brunswick County has a growing population of retirees, a thriving tourism industry, and an economy largely based on low wage jobs that are predominant in a service industry. When their Smart Start grant application was denied the first time, a group of citizens decided to stay together to pursue their own needs and resources assessment.

According to Lori Bates, now Executive Director of the Brunswick Partnership, "What we decided to do was to continue to meet monthly in preparation for next year's application and to work really hard on educating ourselves about the needs and resources that were in our county." Then, when their second application to Smart Start was denied a year later, they became even more proactive. They formed their own nonprofit, hosted a State of the Child Conference in Brunswick County, and began raising private funds and writing other grants to fund plans they had already developed to serve children in their community. As a result, when Smart Start funds were finally awarded 1997, the Partnership already had an established and active presence in the community.

By the fifth year, counties that had not received Smart Start grants shared several characteristics. First, they were mostly the less populated, rural counties with little existing infrastructure to serve children. They also tended to be poorer economically, lack both transportation and health services, and suffer from a dearth of quality child care services. However, because they had formed groups to work on children's issues without state funds, they actually had been in the planning process for several years. Not surprising, these counties were quite frustrated with the long planning cycles and the extended wait to get state dollars. In 1997-98, the state Partnership underwent enormous organizational growth to meet the demands of adding 45 more counties to its rolls. Sometimes this resulted in delays in contract approvals, late release of funds to the local counties, and more regulations to be met by these newer counties. One regulation imposed on these 45 counties, for example, was that they would receive only a $25,000 planning grant for a year, with the promise of program funds in the following fiscal year–if the state legislature approved the budget. This uncertainty increased frustration dramatically.

Another pressure on these fifth-year counties was to find ways to regionalize, or come together, in order to save on administrative costs. Some counties, like Henderson, Granville, and Vance counties, formed one Partnership organization to apply for a Smart Start grant. Their planning process involved representatives from each of the three counties coming together to assess their community needs and determine ways to address them together. Several of these multi-county entities were funded in 1997/98.

LESSONS LEARNED

- **Put time and resources up front into planning.**
  Goals and outcomes cannot be reached in the long term if a community doesn't develop a plan based on the needs of its children.

- **A planning process that involves the broader community generates long term community support and commitment.**
  When people feel that their voice and interests are heard and incorporated into goal setting, their investment in long-term participation is greater.

- **Don't let fiscal year funding constraints dictate when and how a community spends public funds.**
  Long-term outcomes do not happen quickly. Improving the quality of child care takes time. A program to improve the lives of young children demands at least five years to produce measurable outcomes for a child.

- **Base a community plan on facts obtained through a needs assessment that is current and covers all segments of a community.**
  Collecting baseline data from which to measure improvement is crucial. Look to other organizations for assessment data already collected. Existing data can be enhanced through surveys, focus groups, and other techniques.

- **Make planning a continuous process.**
  Revisit a strategic plan at least once annually and review outcome data collected from the funded programs. Then revise your plan based on the movement made each year toward the stated goals and objectives in that county or community.

A STORY FROM DARE COUNTY

Dare County, a busy summer tourist residence, is home to North Carolina's very popular Outer Banks which contain some of the finest beaches on the East Coast. Within this county are top attractions like Nags Head, Kitty Hawk, and Kill Devil Hills, along with Roanoke Island and the Cape Hatteras National Seashore. In 1998, the total year-round population was estimated at 28,200; various projections, however, point to increasing rates of growth beyond the 3.5% growth seen between 1995 and 1998. This population increase is occurring in spite of the high cost of living that results from a seasonal tourist influx. Although housing is quite expensive, for example, many jobs in the county are in the low-wage service industry. And while the poverty level of young children is lower than the state average, there are many families with limited resources living in this high wealth county.

Concerned citizens recognized a problem and began the strategic planning process that offers a model for how "planning before you spend" can pay long-term dividends for a county and its children. Although Dare County did not receive a Smart Start grant until the fifth year, in 1997, much planning had already gone on for children in this county, thanks to the Children & Youth Partnership for Dare County. This organization was formed in 1994 following a State of the Child Conference.

At that conference, two community issues were identified as priorities: (1) the large number of foster children from the county who were being transported across the state for placements and (2) the need for a youth center devoted to teens.

As a result, following the conference, the Children & Youth Partnership decided to organize a home for abused and neglected children. And they accomplished this project three years before receiving Smart Start funding. Their second project was to build a Dare County Youth Center. In May of 1999, the groundbreaking for the Center took place. Originally targeted to serve teens, the Center is designed to serve children of all ages, as well as retirees. The Partnership has been coordinating two capital campaigns to raise funds for both of these projects.

How did all this occur in a few short years? First, the community came together around a set project–a home for abused and neglected children. Second, the organization's rationale for existence was not to receive a Smart Start grant; rather, the group declared: "We pledge ourselves to the well being of children as our sole reason for existence as an organization." Among other goals, it committed itself "to ensure that every child will develop to their maximum potential." In addition, the Partnership announced that it would serve children of all ages and their families, not limiting their efforts to impact children from birth to age five.
The planning process for the development of the 1997-1999 strategic plan followed a pattern established since the organization's inception. First, the Board executive committee and the executive director met to formulate a plan of action and a timeline. They then hired a facilitator to assist with a Board retreat. At this retreat, the Board revisited activities already in place and studied data produced from these projects, as well as other relevant information that would impact decision-making about children in the county. In addition, the Board committed to continue existing projects and determined the direction for additional programming. And, at this retreat, the Board retained the four original goals of the organization and began to outline benchmarks by which to measure the outcomes.

Following this retreat, three task forces–child care, health, and family support–launched a series of meetings to discuss planning for the next two years based upon the Board's decisions. And, in an effort to ensure both diverse community representation and expertise, the Board encouraged new members to join the task forces. Letters were sent to all registered child care providers in the county asking for suggestions, evaluations of projects in place, and volunteers to sit on committees or be involved in the planning process. *The Coastland Times*, a local paper, even sat in on the Board meetings during this planning and approval process to provide media coverage of the plans to the community. Ultimately, the committees developed exacting benchmarks, new proposals for programs, and refined some of the currently existing projects.

The Board approved the submission of local proposals and forwarded them in a biennial plan to the North Carolina Partnership for Children for approval. Since the Children & Youth Partnership did not know the amount of the Smart Start allocation (because the NC General Assembly had not yet met or approved the state budget), its Board prioritized new projects as follows: (1) top tier: continuing activities which had top priority, (2) second tier: new activities which could be initiated, if funds were available; and (3) third tier: activities which are desired and needed, but require further information, assessment, or development before implementation is possible.

Executive Director Loretta Michael provided this summary of Dare County's philosophy toward planning: "The Children and Youth Partnership hope to sponsor a State of the Child Conference in 2000. It has been five years since the last conference, and we feel it is important to once again have a means for a county-wide assessment of needs of children and to evaluate what has taken place during the past five years in the many organizations serving children in our county." With this next conference, the planning cycle will come full circle.

LESSON 3

Build the Local Organization

BACKGROUND

The Smart Start model was designed to maximize local implementation by relying on community-based partnerships to make decisions about both agency operations and service design. Early state leaders proclaimed that Smart Start would reinvent government because it was intended to be a "bottoms up, rather than top down initiative." Local control would also guarantee that the state not dictate a "cookie-cutter" approach to implementation. Instead, local volunteer Boards, composed of community representatives, would be empowered to plan and develop services in their own counties. As a result, local Partnerships today have the authority and responsibility to award grants and contracts to community agencies to implement needed services for young children and families. Smart Start's success and future rest on the ability of local Partnerships to be not only good stewards of public funds, but also highly competent community leaders and program developers.

Each local Partnership is required to be an independent nonprofit organization. Yet, in many ways, local Partnerships are unique hybrid organizations–part nonprofit, part foundation, part state agency.

- **Nonprofit.** Each Partnership tries to engage the community in creating a system of services to support the successful development of young children and their families.

- **Foundation.** Each Partnership develops funding guidelines and strategies and awards grants to community agencies.

- **State agency.** Each Partnership exists within the context of state mandates and accountability standards, and must have a state audit of its fiscal operations every year.

Over the past five years, as the initiative has grown, the local Partnership model and definition of services have gone through continuous change. Administration and program focus, for example, have been reshaped each year. And in each legislative cycle, the political struggles for expansion and funding have played out in the N.C. General Assembly. State administration has also been shifted from the Division of Child Development to the N.C. Partnership for Children, which has had to build its own organizational capacity to respond to new legislative mandates.

As of 1999, the Smart Start model now in place is built upon several key components that have significant impact on the organizational models, structures, and capabilities of local Partnerships.

- **Local Partnerships are required to be new nonprofit corporations.** Although the initial legislation allowed existing nonprofit agencies to implement Smart Start if they retooled to meet the state requirements, by the second year only new nonprofits were considered appropriate. State leaders believed that a new nonprofit would bring synergy in the community and a pure focus on the mission of helping children arrive at school healthy and ready to succeed.

- **Administrative funds are capped at $100,000 or no more than 8% of total service dollars.** While state leaders recognized that each local Partnership would need capacity to implement the Smart Start program, the intention was to keep administrative costs extremely low so that the resources would be focused on services. Many believed that a nonprofit could garner local contributions of services to make it self-sufficient, like free rent and donated accounting services.

  Local responsibilities for program monitoring, accounting, and contracting have grown over time, although the administrative formula has never changed. In fact, the administrative minimum has been reduced to $50,000 for counties funded after 1997. The capping of administrative costs has had significant impact on all Partnerships. Smaller, rural Partnerships that may be one-person operations have been struggling to set up well functioning organizations and have found it very difficult to establish more than minimal administrative staff.

- **Decisions about best strategies to improve the lives of young children and families are best left to local communities via the Partnerships.** This philosophy was the centerpiece of the original Smart Start vision. State leaders did not want to impose a prescriptive program, but wanted communities to collaboratively determine what was needed. However, tensions quickly developed between state and local leaders as to how innovative local Partnerships could be and where the programmatic lines would be drawn. Over time, state leaders and the legislature have established certain parameters to guide local decision-making about services. Beginning with a "Must Have" list that summarized a few key state expectations, Smart Start has been retooled and refocused, becoming more prescriptive than originally envisioned. The 1996 legislative mandates brought about the most change, particularly with the requirement that local Partnerships must spend 70% of their total funds on "child care related activities" of which 30% must be directed to child care subsidies. The balance may be spent on child health and family support activities, or other discretionary activities such as program evaluation.

- **Contracting for local services will be done at the local level.** It became quickly evident in the first year that the state could not efficiently develop and administer the numerous contracts that were needed by local Partnerships to implement services. By the second year, local Partnerships were required to take on these responsibilities for contracting, although no increase in administrative or technical support occurred. In year three, the legislature again changed the process and required the N.C. Partnership for Children to develop standardized accounting and contracting procedures which led to the direct administration by NCPC for these functions. This change only applied to new Partnerships coming on line; those already in place were left with these responsibilities.

- **Accounting processes must be standardized at the local level to meet state audit requirements.** The Coopers and Lybrand 1996 study of Smart Start criticized the many different approaches taken by local Partnerships as an inefficient and costly way to implement Smart Start. This report gave the state auditors the basis for requiring standardized accounting procedures among local Partnerships and raised the bar for local compliance. While the state auditors have provided considerable technical assistance to local Partnerships, it also forced Partnerships to develop state-government type technology and procedures which are expensive and time consuming and often beyond the skill or resources of local volunteer Boards and nonprofit agencies. Most Partnerships have three or fewer administrative/fiscal staff and this creates enormous challenges in meeting the strict internal controls and operations required by the state audit.

Different Organizational Models

Local Partnerships have evolved various models and organizational structures to respond to the Smart Start mandates and demonstrate accountability. One model is the "Stand Alone" model in which the local Partnership remains an independent organization with its own 501(c)(3) legal status. This model tends to take place in larger counties that have adequate administrative resources, and in those Partnerships that developed in the first two years regardless of their size. Another model is the "multi-county" or "regional" Partnership that combines several counties under the leadership of one executive director and Board of Directors. A newly emerging model is the "Lead Partnership Hub." In this model, several independent Partnerships combine or subcontract their accounting, contracting, and or evaluation to one Partnership that serves as the hub for central administration of these functions.

For well-funded Partnerships with a large budget and numerous activities and contracts, it makes the most sense to remain a stand-alone operation. For smaller Partnerships, the administrative resources are often not sufficient to create and support an effective organization. Regardless of size, many Partnerships have developed community services directly out of their Partnerships and have become community service providers, particularly in the child care arena. Developing local child care resource and referral programs or child care subsidy programs are the most common services provided by local Partnerships, although others are developing family support programs. In this way, a Partnership is able to build a larger agency and funding base, which then makes it possible to allocate administrative costs over service activities, thereby relieving some organizational pressures.

At the state level, concern still exists about the effectiveness of having each local Partnership assume responsibility for administration, particularly the accounting and contracting functions. Earlier studies had cited the "inefficiency of having 100 different administrative agents" and called for the state to standardize and even centralize these functions within the North Carolina Partnership for Children. In 1996, NCPC was required by the state legislature to take on the accounting and contracting responsibilities for year four and five Partnerships for at least the first two years of a Partnership's development, so that the local Partnership could concentrate on building an effective organization.

NCPC, in response to legislative concerns about excessive administrative costs, has actively promoted voluntary regional approaches among Partnerships. In 1999, NCPC began the process of promoting multiple accounting and contracting sites (MACS) which would combine accounting and contracting functions for several Partnerships using various models. The goal of these models is to consolidate accounting and contracting functions to reduce costs and promote efficiency and effectiveness. This approach will also improve the ability of NCPC to monitor local Partnerships, because there would be fewer Partnerships. As Smart Start continues to evolve, the future is likely to see greater combinations of joint efforts and multi-county Partnerships.

LOCAL PARTNERSHIP PERSPECTIVES

Putting all the pieces together to build an effective new nonprofit has been incredibly challenging and hard work for every Partnership. The pressure to create a new organization and do the planning required for Smart Start has been intense. The set-up and incorporation of a new nonprofit, hiring and training staff, recruiting and orienting Board members, organizing accounting procedures and policies, and developing program funding criteria were often crammed into the first six months of operations.

Partnerships wrestled with how to proceed given the administrative resources they had and an uncertain future that might provide additional dollars. Several modes of operation have emerged, some right from the start and others after trying and discarding the first approach.

Regardless of the model chosen, to effectively administer Smart Start and achieve their inherent mission of "helping all children arrive at school healthy and ready to succeed," each Partnership must either develop or purchase capacity in accounting, contracting, program monitoring and evaluation, fundraising, and marketing. This is a tall order for local Partnerships with limited administrative funds and requires creativity and resourcefulness.

Stand-Alone Model

During the first years, all of the Partnerships except the Region A Partnership for Children, developed independent stand-alone models regardless of their size. In year two, some Partnerships joined forces across two county lines, such as the DownEast Partnership in Nash and Edgecombe counties and the Lenoir-Green Partnership. In later years, the stand-alone model is still predominant, primarily because the funding formula for Smart Start remains county-based.

The Chatham County Partnership, which is a small rural Partnership with a $100,000 administrative allocation, has a full-time executive director and an administrative assistant who are primarily responsible for fiscal management and contracting responsibilities. A part-time bookkeeper and occasional CPA services provide some accounting support. The part-time program evaluator is paid with service funds. Jenny Megginson, the executive director, remembers the early days of Smart Start. "All of us were on a fast train, and we didn't even know where we were going." Today, her recipe for staffing the Partnership is to focus her energy on doing the administration well, concentrating on staff and fiscal management, doing as much program development as possible, and squeezing in a little bit of fund development. Without an increase in service funds, Megginson recognizes that her organization cannot grow. It is looking to merge or offer support services to other developing Partnerships as one strategy to develop more capacity and resources, and is seeking other funding besides Smart Start.

Multi-County Partnerships

In the coastal northeastern section of the state lie several counties with low child populations. In 1995, the Pasquotank County Partnership was begun. In 1997, the Camden and Currituck counties were awarded planning grants and each built its own Partnership with a separate Board of Directors. One year later, in July 1998, the Albermarle Partnership was founded out of a merger of the three Partnerships. According to Jim Glasson, the new executive director of the newly formed Albermarle Partnership, necessity and effectiveness were the primary motivators that led to the consolidation, although the geographic proximity and similarities among the counties made it a natural connection. All three counties also shared some services including the library and the health department, so there was some history of sharing resources in this rural area.

"Small counties have real resource problems when it comes to overseeing the kind of budgetary, state-level types of things that Smart Start requires," observes Glasson. The Albermarle Partnership struggled under its small administrative allocation and never had the capacity to administer the program very well. The Camden and Currituck Partnerships could foresee a similar future, since they too faced inadequate administrative resources because of their small size. The new Partnership has transformed the single executive director position into three positions: the executive director, a program manager, and a fiscal manager. By pooling resources, the Partnership was able to expand the staff and attract more qualified people than ever before. "When you look at the fact that one person was doing all of this, it really was a pretty impossible job," Glasson adds.

The new Albermarle Partnership was created out of the advisory Boards that guided the development of the new regional Board. Each county sent nine representatives that matched the Smart Start legislative mandates. This has been very helpful in addressing the conflict of interest that is inherent in Smart Start by increasing the talent pool of resources among the people making funding decisions.

Programming strength has also increased with the new Partnership now offering a comprehensive child care resource and referral agency across all three counties and a family resource center program. The new Partnership is now equipped to develop other programs, filling the gap in building the child care and family support service delivery system. Glasson hopes that the Partnership will serve as an incubator for these new programs which one day may spin off and become independent community services. "What's happened in the past year is that we've become a real regional Partnership," concludes Glasson.

Lead Partnership Hub

Another model that leaves individual Partnerships intact with their own independent Boards, but consolidates accounting and contracting functions, is the "Lead Partnership Hub" model. The Buncombe County Partnership for Children has pioneered this approach. Buncombe is a medium size county with a $4,000,000 operating budget. It serves as the administrative hub for the surrounding counties of Madison, Henderson, Polk, and Transylvania, all of which are year five Partnerships with only $50,000 each in administrative allocations. "The Board had sufficient vision that regional processes made sense, helping our neighbor made sense," according to Ron Bradford, Buncombe's executive director. The Buncombe Partnership, with a three-person staff, contracts with an accounting firm to provide these services to the other Partnerships. It handles all contracts and prepares all financial reports. The five Partnerships share in the costs for these services. Existing costs to Buncombe are shared by each county on the percentage of their allocations for services and administration.

No merger of these Partnerships into one entity is envisioned for the future. "It's not in anyone's particular interest or vision to do that. What makes the Partnerships work is when they can be local and locally driven," adds Bradford. Consolidating administrative functions gives the new Partnerships the expertise they need, and allows them to focus their scare resources on other areas. This model may lead to other ventures in the future. A newly organized regional committee will start looking at some other strategic areas for collaboration, such as "crossover services" when services are the same from one county to another or where parents access services in another county.

LESSONS LEARNED

- **Plan the initiative carefully in the beginning; changing directions in midstream creates confusion and chaos.**
  Smart Start was clear that local Partnerships would be the lead entity for implementing services, but political pressures which led to changes in legislative mandates and the shifting of state administrative agencies have played havoc with local organizational development.

- **Clearly define state and local roles/responsibilities.**
  Tension has always existed between the state and local Partnerships around the meaning of "local control" and "accountability." Trying to achieve a balance between state administration and supervision and local implementation is very difficult, and subject to shifting political winds. However, the state should define the specific areas of autonomy for local Partnerships to reduce confusion and frustration at the local levels.

- **Provide adequate administrative resources.**
  Smart Start caps administrative resources for local Partnerships at 8% of total service dollars. This is not adequate when local Partnerships are subject to state government standards for fiscal accountability and required to provide program evaluation services as well. Since the funding formula is based primarily on population size, small rural Partnerships remain under resourced to effectively administer Smart Start, and must consider collaborative approaches if they are to be successful.

- **Comprehensive technical assistance is essential to local success.**
  State leadership must provide comprehensive technical assistance to local Partnerships if they are to be successful. Local Partnerships have to be competent stewards of public funds, as well as competent community developers and program evaluators. The hybrid nature of local Partnerships as developer, service provider, and funder requires skills and expertise that exceed those found in either the traditional nonprofit or government sectors.

- **Develop the local organizational models at the beginning.**
  Local Partnerships have been on their own in discovering what organizational model will work best for them, and each has evolved in the context of their own community resources and cultures. While this is one of the strengths of this model, it requires a constant reinventing of the local Partnership to accommodate changing state requirements which can be very time consuming and expensive. Providing a range of

models with a base level of funding to support the mandated functions required of a local Partnership would have been the ideal for launching the local Partnerships.

A STORY FROM REGION A

The original multi-county Partnership is the Region A Partnership for Children, which is nestled in the southwestern mountains of North Carolina. Started in 1994, this Partnership serves a seven-county region and the eastern band of the Cherokee nation. The regional configuration is based on the Council of Governments (COG) structure, which pulled counties together to strengthen municipal government functions in the early 1970s. June Smith is the Executive Director of the Partnership which has a 1998-99 operating budget of $2.3 million, which includes $177,590 for administrative allocation. In addition to the full-time executive director, its staff includes a full-time administrative assistant, a part-time evaluator, a project manager and a development director who is paid from a special private sector grant.

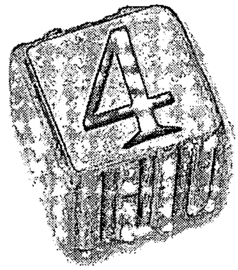
Cooperative efforts have a long history in this part of the state. June credits the COG director, Bill Gibson, for his leadership in promoting a regional Partnership. "His experience in believing in regionalism has been influential. He has worked with the county and municipal governments long enough that they all share the idea that we are so remote from the seat of power, and so poor economically, that if we don't work together, we'll never get anywhere."

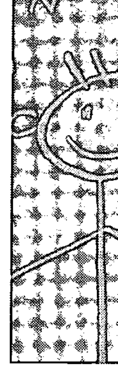
It was the COG that developed the Southwestern Child Development Commission as a nonprofit to develop child care in the region. Still in existence today, Southwestern now administers the state contract for child care subsidies in the region, and believes that with one administrative agency the funding will go further and serve more children and families.

While the history of centralized administration and regional development certainly helped the Partnership get started, relationship and decision-making challenges still existed for the agency. "The original Smart Start team burned up the pavement, burned up the telephone, burned the midnight oil, and then started meeting...endless meetings and brainstorming to put the regional proposal together" recalls Smith.

Today, the Partnership has one Board of Directors with representation from all seven counties. To keep individual counties vested in the regional approach, each county has its own Smart Start team and the chair of this team serves on the Executive Committee of the Partnership Board. As a regional Partnership, they could not afford to have split voting occur which could have undermined support for Smart Start, so the Board developed a consensus model of operating. When it comes time to pass a policy or a budget, the Chair asks for a show of hands of all who are in favor. Next, he asks for a show of hands of all of those who cannot support it. Opportunity for discussion then follows to see if there is some way that it can be supported. If not, the proposal goes back to the drawing board or to a committee to be worked out, and then back to the full Board.

"The strength of our Partnership has been that we have had a small, dedicated, extremely visionary group of people who wanted to make it work," concludes June Smith. Other key ingredients? "Flexibility and a sense of humor, whether you're the ED or the Board Chair. That's the only way to stand the constant change. Oh, and I like to meet challenges," she added.

LESSON 



Collaboration is Crucial

BACKGROUND

"Bring everyone to the table" was a common phrase heard throughout the development of the statewide early childhood initiative in North Carolina, called Smart Start.

As originally designed, leaders from many areas–business, government, education, churches, nonprofit, child and family advocacy groups–were to come together in each county to map out a blueprint for improving early childhood education, health care, and services for families in that community. In this model, the State set the goals, then each local county developed a strategy to meet those goals.

A single plan for everyone wouldn't work because each county had its own distinctive needs, economic make-up, and culture. However, in requesting these customized plans, leaders recognized that collaboration would be the key to successful planning. Specifically, each county had to agree on a common vision, then learn how to share information, resources, and responsibility to achieve its goals.

There was also an important fiscal mandate from the state: counties had to account for every taxpayer dollar spent to support local activities.

From the beginning, the state legislation to establish Smart Start said each county had to set up a new nonprofit organization with a set composition of directors. That is, in order to receive a grant, each county was required to include on its Board of Directors the following minimum representation:

- a county commissioner
- the county manager
- the directors of the local departments of Social Services, Health, and Mental Health
- the superintendent of public schools
- the community college president
- the chair of the local cooperative extension agency
- two business leaders
- two family members from families with preschool children receiving child care subsidies
- a religious leader
- a Head Start representative
- a child care provider
- a representative from the child care resource and referal agency or another non-profit related to child care
- a representative from the local library
- a representative from the local Interagency Coordinating Council or a parent of a child with a disability
- a representative from a local foundation

Thanks to this broad-based representation, members from these various backgrounds–equipped with a wealth of different perspectives–could sit around a table and work together to create a comprehensive system for children. If they chose, local county Partnerships could even expand upon this required representation. So other Board positions were sometimes added to include the United Way, parents, and other groups.

The vision was clear: members from all parts of a county would come together under the Partnership umbrella and help the entire community embrace–and act upon–the needs of children. The legislation sought to foster a collaborative approach to addressing these needs.

Smart Start leaders saw two big issues for community Boards to address: complexity and funding.

First, the problems facing young children and their families are complex and interrelated. As a result, no single segment of the community can fully understand the challenges confronting families and children. Only through the bringing together of this large group of people–with their varied perspectives and experiences–can a community develop an accurate analysis of the current realities facing young children and their families.

Second, regardless of how much money was appropriated to Smart Start, it would never be enough to fully meet the needs of all the state's young children and their families. So for any community to develop and implement a successful plan, Smart Start dollars had to be blended with other resources. These resources could come from private, other public, non-profit, and religious sectors of a community. To help ensure that these additional funds were leveraged properly, members from these other sectors would also need to participate fully in the development and implementation of the plan.

Leaders also recognized that participation alone would not guarantee success, so step-by-step training for local Partnerships became a priority. The goals of this training were specific: (1) to foster a shared understanding about the needs of children and families in each community and (2) to promote consensus about the best ways to meet those needs. So, during a series of three-day retreats, Board members learned how to share information, vision, resources, power, and accountability.

A consultant group called The County Collaboration Project organized these three-day sessions for Partnership Board and staff delegations, facilitated their discussions, and provided a flexible framework within which each Smart Start Partnership could work together to develop their own decision-making process. At the heart of that process was an ongoing strategic planning cycle, as outlined in the County Collaboration Manual, with three main goals:

- To analyze the current realities for children and families,
- To define the local Partnership's vision and priority results, and
- To develop and implement an action plan.

The collaboration retreat sessions provided an opportunity for local groups to work on their strategic plans, while also learning techniques to foster collaboration both within their own counties and through their Board activities. These sessions were mandatory for all Smart Start Partnerships funded within the first two years of this initiative.

Also, each Partnership was assigned a "coach," someone who observed, offered suggestions, and supported the local county Partnership's efforts. These coaches were experienced and knowledgeable about various aspects of nonprofit organizational development and about ways to foster collaborative approaches in the community.

After two years, the N.C. General Assembly came to believe that the funding to support this technical assistance training project was not having a "direct" impact on children and eliminated the funds for it. As a result, those counties entering into Smart Start grants in 1997 and 1998 did not receive collaboration training. Later, however, funds were restored to the N.C. Partnership for Children's budget, enabling a series of training sessions–now called Collaboration Institutes–to be offered in 1999 and 2000 to the more recently established Partnerships' Boards and staff.

LOCAL PARTNERSHIP PERSPECTIVES

In general, collaborative efforts work best when they are open and visible processes with everyone getting involved in their planning and implementation. Often, they need to produce a result or demonstrate an improvement in order to confirm their legitimacy and effectiveness as a process. This is because, at root, collaboration is about relationships. Whenever the leadership of the Partnership Board or its staff has a network of relationships throughout the community, shared interests and resources tend to come together in a collaborative approach.

Benefits of Service Integration

A change in the delivery of program services in a community is often an instance where collaboration works best. Here's how it can work: community leaders might recognize that programs and services are duplicated, thereby creating obstacles to families who need those services. So they modify the public services system by integrating, or streamlining, services. Through a collaborative process, different groups come together and focus on how to consolidate each service to better meet the needs of families. And the outcome can be significant improvement in how these programs assist families with young children.

A specific example of this integration is underway in Cumberland County, home to several major U.S. military bases and 32,000 children between the ages of 0 and 5, 20% of whom live in families with incomes below the poverty line. To make sure these and other children had access to affordable child care, the local Smart Start Partnership invited all the community agencies and nonprofit programs that deliver subsidized child care to join together in a collaborative planning process. As they shared experiences around the table, they acknowledged that parents in their community felt great confusion about income and eligibility requirements, application forms, and subsidy rates that differ from program to program.

To reduce confusion, a group of agency directors, child care providers, and parents embarked on a planning process. Together they "mapped" how various child care subsidy services are delivered through Head Start, centers on the military bases, private child care centers in the city of Fayetteville, and others. Through this mapping process, they pinpointed the areas of duplication of services and the numerous local, county, state, and federal revenue streams that provided funds for this subsidized care. And now, they are working on the integration and streamlining of their agencies' functions with a universal application form, centralized databases, and other sharing of information strategies.

Efficiency of Shared Administrative Resources

Collaborative approaches also can lead to the more effective use of limited administrative resources. In the middle of North Carolina is a three-county area called the Triangle, which includes Durham, Orange, and Wake counties. The Triangle area includes three main cities–Raleigh, Durham, and Chapel Hill–all of which are within a 25-mile radius of each other. Each of these communities was awarded a separate Smart Start grant and formed a separate Partnership organization. What makes this area unique is that, because of the proximity of these cities, people often work in one county, live in another, and commute and shop in a third.

With the overlap in services and populations present in the Triangle, the three Partnerships had opportunities for collaborative approaches to increase efficiencies in the use of time, money, and effective services. Each of the Partnerships was formed in different years with the Orange County Partnership for Children receiving a grant in 1994, Durham's Partnership for Children in 1995, and the Wake Smart Start in 1996. So once their organizations were established, they began to share the costs of accountant and bookkeeping services by hiring one contractor who traveled to the three county Partnership locations. In this way, they reduced some operational costs by having one person serve all three counties.

They also collaborated on fundraising appeals to Triangle area businesses in two ways: (a) by sharing the costs of a staff Director of Resource Development and (b) by planning a united marketing campaign to employers located in the Research Triangle Park, a high-tech industrial park located near all three counties.

Sometimes co-location of programs can lead to a more family friendly delivery of services, while also efficiently reducing costs. The Down East Partnership for Children in Rocky Mount renovated a former school building and invited other public and nonprofit agencies to co-locate their programs there. This "one-stop shopping" family resource center to which parents could come for health, mental health, child care subsidy, and other services for their young children provided easier and less time-consuming access for families.

Value of Combining Forces

It is said that "links coupled together are stronger than any one link in a chain." This is certainly true when agencies bond together to create a stronger service.

In Ashe County, the Partnership joined with the county cooperative extension services' 4-H Advisory Council to create an endowment for children, since their programs are designed for two consecutive age groups. While Smart Start serves young children, ages 0-5 years, the 4-H program serves children 6-12 years of age.

By collaborating on the message and fundraising efforts to their community, these organizations broadened their appeal and services to a wider number and age-range of children. And, because Ashe County is located in a rural, mountainous area of the state with limited resources, they worked together to create a stream of permanent unrestricted private funds to pay for programs offered by both organizations.

Through collaboration, therefore, they were able to create an endowment on behalf of all children ages 0-12 which broadened their base of support and attracted potential donors with an interest in the welfare of all children in this small rural county. It also allowed for public funds from Smart Start to be blended with private funds from the community.

LESSONS LEARNED

- **Developing inter-agency collaboration is extremely time-consuming and process-intensive–and requires multi-year planning and support.**
  The initial phase of Smart Start emphasized collaboration and offered technical assistance and resource support for it. However, the pressures on Partnerships were great: to generate an immediate impact on children; to fund direct services, rather than planning; and to measure outcomes before programs could actually get underway. This meant that the time and resources to support collaboration began to fade after the first two years. The Smart Start design did not build in time to allow relationships to develop or for any serious joint planning to occur.

- **In order to be effective, a statewide initiative needs collaboration to occur at the local, state, and federal levels.**
  While local Partnerships often worked toward community collaboration, the state's funding streams sometimes presented barriers to their efforts. Although funding for child care subsidies goes to providers and parents from the federal, state, and county governments, each level carries different requirements for how those funds are spent. As a result, meeting those different criteria and merging the funding streams for the benefit of the family and child can be overwhelming. So it's not surprising that the fear of losing funds when service delivery systems are merged can lead to the failure of local collaborative efforts.

  Another challenge is that state agencies often put out mixed messages. For example, requirements for the use of funds in the county's health department may conflict with those in the county's mental health department. What this means is that a child who needs multiple services might have to forego programs from the health arena in order to qualify for services in mental health. It is critical that state agencies communicate about their guidelines and requirements to reduce this conflict.

- **Inter-agency collaboration does not guarantee the development of a client-centered service system or the establishment of a trusting relationship between a child's family and a helping adult or service.** Unfortunately, the merging of organizations and the integration of different services does not always mean that the family-client is served in a more customer-driven way. Often, collaboration means that organizations and staff must be re-trained to think differently about the services they deliver and how they deliver them to families and young children. Instead of following a department's time-honored requirements for funds, public agency staff must be re-trained and rewarded for serving the family's needs instead of the needs of the agency.

- **Collaboration leads to information sharing among agencies and a greater understanding of how families' needs might be served by a variety of programs.** Often public agencies have a narrow concept of serving families based on their own area of expertise and a definition of how their funds can be applied. They don't always take a "holistic" view of a family's needs. If a family in crisis needs child care assistance, counseling on parenting issues, therapy for drug abuse, and immunizations for an infant, they go to three different agencies–social services, health, and mental health. Each agency sees the family for one defined problem and neglects to see the family's needs as a whole. An information-sharing system in which the family's application paperwork and their problems can be collected and shared among agencies can lead to a whole view of that family's needs.

- **Collaboration is not a quick fix for complex and vexing problems.** It takes a great deal of community input and the creation of work groups, task forces, and committees to make a collaborative process work. Often, it means engaging the services of a consultant to facilitate and coordinate the process, so that every player has a voice and that the group takes an objective approach. It requires time and resources to be successful.

- **Collaboration is a means to an end, not an end in itself.** It is an educational process; one of its most valuable by-products is that participants are more informed about a problem and agree on a solution. Too often, collaboration is seen as a program, not as a process. In fact, it must be tied to a clearly defined strategic plan and used to help reach the goals in that plan.

  "Forcing" collaboration is not always appropriate–and it does not work. Sometimes, local organizations are asked to partner for cost-saving purposes in order to receive Smart Start funds, even when their missions and organizational structures do not fit a collaborative model. Clearly, an organization must decide for itself when collaboration makes sense. And then, to be successful, that organization must identify shared community interests to foster trust among the players.

- **Collaboration occurs among people–not among institutions.** Workers must be supported at each level of organization where collaboration is expected to take place. Key decision-makers must agree to participate and consider it an integral part of the decision-making process in their agencies and in that community. Organizational leaders must remain committed to collaboration, providing active support to the frontline workers who deliver services. And in the planning stages for collaboration, agency directors and government decision-makers must be involved. They also need to help preserve the time these frontline workers put into planning activities by re-arranging work loads, allowing time away from their daily duties, and sometimes offering salary incentives to do the extra work that collaboration demands.

- **Creative problem-solving skills must be developed and nurtured in those expected to collaborate. Key among these skills is the ability to deal with ambiguity and stress.** Training and technical assistance in collaboration is vital. It is not a process that just "comes naturally," and it needs to be supported with both training and resources.

A STORY FROM DURHAM COUNTY

Durham County set out to stitch together a "seamless subsidy system" to provide financial child care help to families with young children. At that time, five different community agencies provided some kind of child care subsidies: the county's social services department, the Head Start agency called Operation Breakthrough, the child care resource and referral agency called the Durham Day Care Council, the Smart Start Partnership for Children, and the United Way of Greater Durham.

So not only was the ability to afford child care a real barrier for many parents, but the maze of requirements and paperwork to get help with these costs was daunting. In their search for tuition assistance, parents were often asked to go through various bureaucracies, meet varying eligibility criteria, visit different agency locations, and give the same information repeatedly to each agency.

Durham County has a population of just 150,000 and is marked by sharp contrasts. It has both one of the highest per capita income levels in the state and one of the largest percentages of people living in poverty. Long known for its diversity, Durham has a strong African-American middle class whose ancestors founded the first black-owned insurance company and the first black-owned bank in the United States. And the county's tradition of dealing honestly and directly with race and economic issues has meant that decisions are made through consensus and everyone's voice must be heard before a community decision can be agreed upon.

When the county received a Smart Start grant in 1994, there was already a keen awareness of the lack of coordination of human services. Fragmentation and duplication were words often used to describe the county's network of public services. With more than 400 non-profit organizations located in the county, service providers were often tripping over each other to meet needs and compete for limited resources. As one person declared at a community meeting, "Durham is a bunch of tents, but not yet a village."

Two community leaders–Dan Hudgins, director of the county social services department, and Dorothy Graham, executive director of the child care resource and referral agency–had been informally discussing a more consumer-based, family-friendly, "one-stop shopping" way to deliver child care subsidies. When Durham's Partnership for Children was formed in 1994 with a Smart Start grant, they saw an opportunity to bring together all those organizations' funding subsidies and integrate their delivery of services.

Since all five community agencies delivering subsidies already had representatives on the Partnership's Board, the stage was set for collaboration. With the assistance of the Partnership's Executive Director, Carolyn Kroll, the Board voted to fund a planning process to determine the best way to build a seamless subsidy system.

During an eight-month process, agency directors and frontline workers from each organization–as well as child care providers and parents of children receiving subsidies–met to "map" the current delivery system. They took the perspective of a parent searching for assistance and defined the entry points, income requirements, regulations, quality control, and compliance monitoring functions that had to be faced. In the group's discussions, they explored the intricacies of funding streams, paperwork, application forms, and eligibility requirements that each agency dealt with. An unforeseen and valuable by-product of the mapping process was the understanding and relationships built as the group struggled to define the specific tasks involved in their delivery of subsidy services.

They discovered where their services overlapped, became aware of what staff in other agencies were doing, recognized how families were answering similar questions in each agency, and gained a real understanding of how they were creating obstacles for families, instead of how they were actually working together. In mapping the funding streams, they also recognized how much farther the resources–working together–could be spread.

And in looking at the strengths and weaknesses of the current system, they quickly realized that individual subsidy programs in the different organizations were not meeting all the needs for subsidized care in the county. At the same time, they saw that, in collaboration, these programs totaled more than $10 million collectively coming into the county for subsidized care costs. In fact, more than 5,000 families were receiving child care subsidies.

With a detailed "map" of Durham's system in hand, the group of agency heads and frontline managers continued into a second year of planning. Together with a consultant, they studied subsidy delivery models in other cities and states; they analyzed the eligibility requirements tied to the different sources of funds; and they developed a recommendation for the initial design of a Durham model that fit the needs of that community. Given Durham's diversity and its tradition of involving all stakeholders, the subsidy design recommended was a one-stop shopping model. They took this model on the road to solicit feedback from Boards, parents, providers, frontline workers, and others stakeholders.

In this model, parents could come to one location and fill out a universal application that collected all the information necessary to determine eligibility requirements. On the front end, parents would receive the assistance they needed by talking to one agency person, filling out one form, and getting the information they needed for their children. On the back end, the four organizations would work together to iron out what funds were available, which eligibility requirements had to be met, and what type of care the subsidies could purchase. Transportation to child care would also be incorporated into the assistance.

Four of the five organizations granting subsidies would perform a single role in collaboration with the others.

- Department of Social Services (DSS) would determine the eligibility requirements,
- Child Care Resource and Referral (CCR&R) would provide information to parents on the kind and quality of care that a subsidy could purchase,
- Operation Breakthrough would link transportation to child care programs,
- United Way would continue to provide funds for subsidy payments to specific child care centers in Durham County, and
- Durham's Partnership for Children would provide the accounting and administrative support for the system.

The involvement of all five organization Boards and staff was key to the success of this collaborative process. Throughout the third year of planning, the subsidy design team made presentations to all Boards, gaining each one's vote to commit their funds to the model. The planning team also provided detailed assessments of how the one-stop model would affect each agency's staffing levels and budgets. This process took a great deal of time and effort, as did the continual redesign and fine-tuning of the model, based upon community feedback.

While the planning continued over three years, actual adjustments and enhancements to the existing subsidy system were implemented along the way. During the first year, all agencies developed and began to use a universal application form. The next year, staff from the CCR&R co-located to the DSS office where they provided on-site guidance to parents applying for subsidies on where to look and what to look for when they purchased care. Later, the Partnership and the CCR&R moved their facilities together into one location. And in October 1999, a one-stop facility with a program director for this subsidy collaboration was opened.

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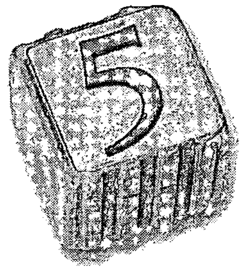


Encourage Public-Private Partnerships

BACKGROUND

Smart Start was founded as a public-private initiative seeking to develop cash and in-kind resources from the private sector to augment the State's allocation of public funds. That is, the government and business sectors would forge a partnership to address a societal issue with both tax and philanthropic dollars–and a commitment to be involved. Decisions on the spending of those dollars would be made locally and would be supported by the business community. In essence, the Smart Start strategy was that government would place a significant level of public dollars on the table to invest in North Carolina's children and its economic future, if the private sector would also commit dollars and time.

This concept of a "public-private partnership" grew out of a need to find ways in which both the government and the business sectors could combine resources and address social problems for the benefit of all. Business leaders throughout the U.S. saw this partnership as a way to address their competitive needs for an educated and productive workforce. When North Carolina Governor Jim Hunt first proposed the use of more than $20 million in public tax dollars to help children and families, he made certain that the leaders of North Carolina's businesses were willing to join him on the dais to confirm their support of this effort. In his speech to introduce the Smart Start legislation, he emphasized that "the economic future and well-being of (our) State depend upon it."

Hunt crafted this early childhood initiative in economic terms, pointing out in a speech before a 1995 National Governor's Association Conference that, "The most important thing we can do to build a better future is to invest in our children. . . Investing in good early childhood education is the foundation for successful, healthy children and a healthy economy. It is also the foundation for better schools, less juvenile and adult crime, fewer teen pregnancies, smaller welfare rolls, and a better workforce." This business approach to investing in early childhood embodied a two-part strategy. Hunt and others recognized that they must garner support in the N.C. General Assembly for this legislation's passage. It was also clear that the government's resources would never be enough to address the need and that it would take the combined resources of both public and private sectors to have any real impact on this societal issue.

Cash Match

To crystallize this need for joint contribution, the Legislature in 1996 put a cash "match" requirement into the Smart Start legislation, mandating that 20 percent of half the total tax dollars allocated statewide to Smart Start had to be met by private dollars. In that fiscal year, it meant that $5.8 million had to be matched by private contributions.

The actual requirement allowed private contributions in either cash (at least five percent) or "in-kind" (up to15 percent) to include volunteer time, donated goods, or like services. This match requirement was to be in the aggregate of what all local Partnerships in combination with the state Partnership could raise. As the total Smart Start allocation rose each year from $15 million to $228 million in 1999-2000, the private match had to keep pace in terms of the percentage of tax dollars allocated.

At first, this cash match requirement was met largely through corporate contributions to the N.C. Partnership for Children (NCPC), Smart Start's state-level organization. The North Carolina business sector–made up of banking, health care, pharmaceutical, and high-tech corporations–gave to Smart Start when the Governor asked. And in the first year (FY95/96), more than $9 million in corporate monies flowed into Smart Start earmarked as 5-year and 10-year contributions from the business sector.

NCPC, the umbrella state-level organization for Smart Start, developed a grant-making process enabling these private contributions to be disbursed to local community programs through the local Partnerships. To gain access to the funds, local Partnerships had to submit grant applications describing how these private dollars would be used. In addition, local Partnerships raised private dollars in their own communities, which could be counted in the aggregate cash match, but used directly for local programs in their counties.

A Smart Start Performance Program Audit, conducted by Coopers & Lybrand L.L.P. in 1996, found the "cash contribution portion of the matching requirement placed on local Partnerships by the General Assembly (to be) inappropriate," saying it was an inequitable and impossible requirement to meet. The inequities were confirmed in a state partnership-financed survey of each county's private contribution levels in 1996. This survey found that most counties with high levels of resources were already meeting the expected level of contribution for that population, while those with low resources simply didn't have it to give.

Since United Way organizations in each county already worked closely with local businesses to raise funds for community-based programs, it seemed counterproductive to ask Smart Start to compete with United Way campaigns. Instead, the Coopers & Lybrand Report suggested lowering the percentage of private dollars required at the local level for the cash match and resulted in some changes to the legislative language in match requirements that then took effect in the following fiscal year 1997/98.

LOCAL PARTNERSHIP PERSPECTIVES

The creation of public-private partnerships in Smart Start counties was about more than combining public and private monies. It was also about how volunteer time and commitment could improve and grow local programs to serve young children and their families. And it fit well with the vision of Smart Start as a collaborative approach where all sectors of the community could come together to make it a better place to raise and educate young children.

In-Kind Contributions

In-kind contributions were made primarily to local Partnerships, ranging from physicians donating time to give immunizations at local children's fairs to dentists offering free check-ups to local van services driving children at no charge to child care centers outside their neighborhoods. These voluntary donations of professional services did "count" in the match as cash.

The contribution of–and need for–volunteer time was enormous when Smart Start came into a county. Even the grant application process itself involved hundreds of hours of meetings and information collection. The Catawba County Partnership, for example, calculated that it took 4,550 person-hours to develop their strategic plan and make funding decisions in their first year of operation. Early on, many felt that a dollar value should be assigned to these volunteer hours by multiplying each hour by $10. Across the state, this calculation resulted in the contribution of millions of dollars of volunteer time to Smart Start efforts. However, these hours of volunteer time were given no value toward the cash "match" requirement, according to the State Auditor's Office.

Another kind of support came from corporate sponsorship of programs to which employees donated time. One excellent example is the volunteer reading program established by The First Union National Bank, based in Charlotte with branches across the state. They set up a program to link bank employees through local Partnerships to child care centers located in the same community as that bank branch. Then bank employees could spend volunteer time there each week reading to young children. Another valuable corporate partner, AT&T, donated funds, equipment, and technical expertise to set up a resource hotline which parents call toll-free to access tips and information on parenting techniques and strategies.

Leveraged Funds

Another form of the public-private relationship within Smart Start is the "leveraging" or blending of funds. Leveraged funds were those supporting a local program from several different organizations. Each organization or agency might fund a separate component of the same local program so that funds were blended together. For example, a training program for child care providers might include CPR training funded by the county health department, developmental screening techniques funded by the mental health department, and an early childhood development course funded by the community college. All these training components might be rolled into a substitute program supported by Smart Start that provided substitute care for the children, while the center director or staff attended training components during the day. Without the "blended" funding from different agencies, the program package would not benefit the provider and offer an incentive to obtain additional training. Bringing agencies together to figure out how they could "blend" their streams of public funds was a role for Smart Start and resulted in a more efficient use of funds, enabled more services to be funded, and fostered the collaborative use of staff, time, or expertise in programs.

In Cumberland County, the Partnership and the United Way blended their resources to design a public awareness campaign. United Way's Success By Six coordinator was housed in the Partnership's offices where she worked to put out joint messages to the community about the combined early childhood programming funded by both organizations. In Durham County, Smart Start dollars funded the leasing of vans that transported young children to their Head Start center. And Head Start paid the bus drivers' and bus monitors' salaries, as well as van maintenance. Many counties have combined funds from their health and mental health departments with Smart Start dollars to hire staff to coordinate in-home services for at-risk children and families. These leveraged funds enable families to receive combined services from different public agencies.

Resource Development

As nonprofit Smart Start Partnerships became established in their communities, the expectation to raise private dollars locally through resource development arose. While the state Partnership acquired philanthropic dollars from those corporations with a statewide presence, there were many regional or county-based businesses that saw investment in children and families as a benefit to the community in which they resided. Fundraising can be more effective when conducted locally, since donors there focus on local issues and can see measurable impacts on their employees, their neighbors, and their customers. In addition, the actual process of developing resources–in both volunteer time and money–leads to direct benefits for local Partnerships with an increased awareness of early childhood development and child care issues in their communities.

However, Partnerships faced many challenges in raising private dollars at the local level. One such challenge was competition with other community-based organizations for limited local dollars to address the same issues. Ironically, the United Way in many counties had been instrumental in the start-up of Smart Start Partnerships. Sometimes, they organized and coordinated community teams to prepare the local grant application. Later, they provided interim office space, clerical support, and bridge funds until a Partnership was incorporated and receiving funds. But when United Way saw Smart Start try to raise funds from the business community, organize donor campaigns, and search for volunteers, they felt a competitive, not collaborative, relationship.

Similarly, since local Partnerships were also grant-making organizations that funded community-based programs and agencies, they sometimes competed directly for private funds with the same local programs they supported. To this day, in counties where there is an existing, but separate, child care resource and referral agency, there is often community-wide confusion about where to focus the community's resources to help children.

And here's another dilemma. Smart Start calculated each county's allocation of public funds based upon its population of children 0-5 years of age. So Partnership organizations, especially in the metropolitan areas of the state, were now suddenly the recipients of millions of dollars from the state. Given the size of these allocations, private donors in the county were often reluctant to add their contributions. Foundations and philanthropic individuals skeptically viewed grant proposals coming to them from Smart Start organizations, since these same nonprofits were funneling big bucks into local programs. In a way, it appeared that Smart Start held a foundation role in the local community while also seeking grants from other community, regional, or state foundations.

Since the Smart Start funding formula for each county is both needs-based and population-driven, the poorer, rural counties with small populations of young children have been unable to attain the level of funding that the larger, metropolitan counties receive. These very poor counties–without major businesses inside their boundaries–simply do not have the potential to raise private dollars in the way that the larger, metropolitan counties do. Ironically, however, because of the greater needs in their counties–and the more limited public dollars coming in to handle those needs–the smaller, rural, counties have sometimes been more successful in obtaining philanthropic monies. Jones County, a rural, low economic county in the eastern part of the state, is a good example. The Partnership there successfully obtained grants from the Rosie O'Donnell Foundation, the Kate B. Reynolds Charitable Trust, and others because the need was great and the resources minimal.

Another problem sparked by corporate fundraising is competition among Partnerships and with the state-level Partnership. In those counties where major corporations, like Bank of America in Mecklenburg County, or Glaxo Wellcome Pharmaceuticals in Durham County, were major contributors to the state Partnership, the local Partnerships saw them as corporate citizens of that area and sought community investments from them.

In the middle of the state, the three cities of Chapel Hill, Durham, and Raleigh form a triangle area that contains numerous high-tech and pharmaceutical corporations with employees who live and work in all three counties. To avoid a competitive solicitation of the same firms from each of the three Partnerships, the three Smart Start organizations decided to share one resource development director who made a unified pitch to the Triangle business community on behalf of children's issues. Even so, the state Partnership also resides in Raleigh and was soliciting these same major corporations on behalf of Smart Start.

Local Partnerships faced another challenge: they often did not have adequate public dollars from Smart Start to support fundraising efforts. Yet, private dollar contributors did not want their dollars to be spent funding the administrative costs necessary to perform professional fundraising tasks. Fundraising campaigns require major expenditures to maintain donor databases, solicit donors, host events, and prepare mailings. And local Partnerships simply are not adequately staffed to handle these time-consuming activities. The situation is understandable–but problematic. Foundations want to fund community-based issues and programs that directly impact children. But they don't particularly want to fund a Partnership organization's staffing costs to help deliver those funds to other community-based programs. Even though there were creative and collaborative approaches in the grant requests, foundations wondered why they didn't directly fund a community program instead of sending the funds through the local Partnership.

Partnerships also faced the dilemma of expending time and staff resources to apply for foundation grants; then when they received a grant, there was usually no budget to support the Partnership's requirements for monitoring, fiscal oversight, or reporting. Regardless of whether the Partnership provides a "pass through" function to garner grants and funnel funds out to community programs serving children, or serves as the direct provider of a service for which the grant is awarded, it still has a need for administrative resources to support these functions.

Finally, unlike board members of other organizations, Smart Start Partnership Boards are not comprised of members who are prepared either to give money or to solicit others to contribute monies. On a typical nonprofit board, members know when they accept a board appointment that they will be expected to contribute both time and money. Smart Start Partnership Boards, however, have mandated memberships drawn from the ranks of public agency directors, child care providers, and parents–individuals who are not accustomed to giving large amounts of money. Instead, these members see their role as representatives of community services.

LESSONS LEARNED

- **Encourage public-private partnership at both the state and local levels.** If collaboration and partnership don't exist at the state level, there are barriers to building relationships at the local level.
- **Support resource development at the local level.** Provide technical assistance and training on grant-writing and fundraising techniques, as well as administrative resources for staffing these efforts.
- **Mandate the cash match at the state level because that is where corporate support is most likely obtained.** There are too many fundraising capacity inequities at the local level to make it feasible to expect a lot of cash to be raised there.
- **A cash match is inappropriate for government-mandated programs because it creates competition for resources, instead of fostering collaboration.** Incentives for working in partnership with the private sector are inherent and will occur without mandates.
- **Involvement of the business community in program planning is almost more important than the actual dollars they contribute.** Getting business to be aware of the impact of early childhood programs on their own employees is invaluable and allows for businesses to work on this issue in their own self-interest.
- **Individual contributions should never be overlooked.** Solicitation of members of the community raises more than money–it builds awareness of the issues, awareness of your organization, and develops the buy-in needed for long-term community support.

A STORY FROM DOWN EAST

In the middle of the booming hog industry in eastern North Carolina lie the two counties of Nash and Edgecombe. Rocky Mount, the area's major city, is bisected by a railroad track that puts half the community in Nash, half in Edgecombe. Some say the track divides more than just square miles. For decades, this two-county community with 11 governing bodies has had political, social, and economic differences that have hampered area development and improvement.

Yet out of this history of division came an impressive model of a public-private partnership called the Down East Partnership. First, the two chambers of commerce (one in Rocky Mount for Nash County and one in nearby Tarrboro for Edgecombe County) determined to look beyond the past to find ways to work together. At the same time, another community group focused on how to improve education in the area, since so many high school students dropped out or left the area looking for better jobs. A third group started looking at legal services for low-income families under a Ford Foundation grant. And yet another group studied the need for setting up a child care resource and referral program in the area under a grant from Project Uplift.

All these discussions came together in 1993 when Smart Start was announced. As Henrietta Zalkind, now Executive Director of the Down East Partnership for Children, likes to say, "We were already around the table when this initiative came along. We came together around a vision for how life could be better for kids and families in this region, not around money." In fact, a discussion of how to integrate the two chambers led to the writing of a joint Smart Start application that was accepted in 1995.

Key to Down East's success was a strong partnership with the business community. While a largely rural area, both counties were corporate headquarters for several major corporations, including fast food chain Hardees and Centura Bank, a regional institution with branches throughout the state. Leaders from these and other companies were involved in the early community discussions.

And, remarkably, the Smart Start grant application was submitted as a two-county proposal. Henrietta Zalkind, then director of the area's Legal Services agency, co-chaired the application team with Rusty Holderness, an influential entrepreneur whose family goes way back in this area. She remembers that, "We had already decided that this was going to be a two-county thing. We went back and forth a little bit about that decision, but people were convinced it was the right way to go even though we had to fight with the state at first to submit a multi-county proposal to Smart Start."

The first application submitted was not funded in the first round. In hindsight, says Henrietta, the denial "turned out to be the best thing that ever happened to us, because we were already together. People really had been building relationships throughout the application process, working together across class lines, across county lines, and across economic lines. And there was a meeting after we found out we didn't get it and people started saying how we needed to go forward anyway."

So the group continued to meet, set up its own non-profit organization, and proceeded to develop a strategic plan, hire staff, and build child care resource and referral services. They also developed a plan for fundraising. And they obtained a family preservation grant, a community block grant to establish child care resource and referral services, and went into the community to listen to what parents and children needed. While still holding down full-time jobs, members of this remarkable group worked out of office space donated by a local law firm and maintained the vision for children throughout the two-county area.

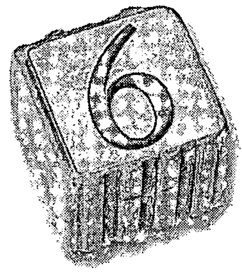
When it came time for the loose-knit organization to file papers for incorporation, Henrietta relates, "The wife of Centura Bank's CEO went home one night and told her husband we needed $500 for this wonderful community effort. The next day he sent us a check to support the legal filing costs."

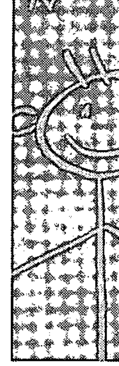
The next year, they again submitted an application for Smart Start; it was accepted in 1995. So this initial group gave life to the Down East Partnership for Children. Soon, they purchased an empty, rundown YMCA building where families from both counties could receive services. With a combination of Smart Start dollars and sizeable corporate donations, especially from Centura Bank, they renovated the building to serve as a family resource center and to house satellite offices for both counties' departments of health and department of social services. Then, with a foundation grant, they established a model child care center where child care providers are trained by watching skilled interaction between children and teachers though a one-way glass mirror. In addition, Hardees donated money and equipment to build a model playground, since the building is in a poor neighborhood with few facilities.

Today, the building also houses offices for the Partnership, the child care resource and referral agency, a parent resource library, a resource lending room for child care providers, and a community meeting center. Clearly, it has become a focal point for child care issues, a central meeting place for parents and child care providers, and a community center for meetings and get-togethers.

In the last two years, Down East has been conducting a capital campaign to raise more private dollars to support early childhood services. Building upon their strong relationship with local business, they hired a consultant to plan and implement a donor campaign reaching beyond county lines called "For Every Child." They expect to raise nearly $1 million. These dollars will help fund programs during those periods between grant cycles and in unexpected emergencies. A capital campaign makes sense for this region for a variety of reasons. The need is great, the relationship with major businesses is strong, and the new Family Resource Center is an effective central location for the delivery of services.

L E S S O N





Create Comprehensive Early Childhood Services

BACKGROUND

Developing early childhood services at the local community level is the heart and soul of Smart Start. From the beginning, the dream was to build a comprehensive system of quality child care, child health, and family support services to meet the needs of young children and their families. Early framers of Smart Start recognized that a single model of services would not work in North Carolina. One size would not fit all communities–the diversity and disparity among counties was too great to overcome with a single approach.

In the most rural parts of the state, for instance, the early childhood infrastructure is very undeveloped, often to the point of providing no services at all. Some counties may have only two or three child care providers and pediatricians and dentists are scarce. Families often live in isolated, remote, and inaccessible areas. Surprisingly, high rates of child poverty and limited economic and employment opportunities mark a full two thirds of North Carolina's one hundred counties.

In contrast, more populated and metropolitan counties–including Mecklenburg County, the Triangle and Piedmont areas–enjoy stronger economies, low poverty rates, and an infrastructure of early childhood services. Even here, though, these services are often fragmented, low quality, and under funded with long waiting lists.

As a result of these contrasts, local Partnerships were created so that individual communities would plan and develop their own services. In essence, as the architects and construction team of these services, they were free to formulate, and bring to life, their own vision to meet their communities' unique needs. Local Partnerships would function somewhat like foundations that use state dollars to make grants to worthy community programs. Their greatest purpose was to facilitate collaboration, convening and developing community partners to develop effective services for young children and their families.

In the first two years of Smart Start, state administrators at both the Division of Child Development and the N.C. Partnership for Children put their faith in the wisdom of local communities to determine what was needed. Only later did legislative mandates establish that 70 percent of funds be spent on "child care related activities," leaving 30 percent for such other services as child health and family support. The N.C. Partnership then developed guidelines about "core services" that were appropriate for Smart Start funding which began the process of state scrutiny and direction about local service design. Many local Partnerships believed that this change detracted from the local autonomy they had been promised. Still others felt that it clarified the original purpose of Smart Start and focused local decision making.

State leaders took this action to mandate expenditures because the founding Smart Start legislation was unclear about what specific services were intended and indicated only a laundry list of possible types of services. For some people, the lack of agreement about what was needed in early childhood education justified the position that local Partnerships should retain autonomy over service design. Consequently, tension existed between child care experts who had originally advocated for a single focus on building a comprehensive system of quality, affordable child care and those who saw Smart Start as having a broader purpose to serve all young children and their families by building collaborative communities. Without guidance, early childhood education/child care would often be pitted against child health or family support as legitimate expenditures for Smart Start.

This tension would play out in later years as well, especially in the first three years of Smart Start. Local Partnerships that viewed local control and a comprehensive mission as their operating principles would find themselves in direct conflict with state authorities who increasingly defined the mission of Smart Start as early childhood/child care education.

LOCAL PARTNERSHIP PERSPECTIVES

To Provide Services or Not

Each Partnership wrestled with one key question: should it be a direct service provider or remain solely the administrator of Smart Start resources? This question took shape early on in the local Partnership's development and assessment of the existing early childhood infrastructure. The answer would ultimately have great impact on its role in the community and the configuration of local services.

From the beginning, some Partnerships viewed themselves only as administrators of Smart Start resources, with the purpose of first planning and developing early childhood services, then funding others to deliver them. Other Partnerships, mostly those located in rural areas, opted to develop and implement services themselves. Generally, this occurred when no community agencies were willing or able to partner to develop needed services–or when the quality of their services was considered inadequate. In some instances, Partnerships viewed delivering services as a way to create a purpose for themselves in the community and fulfill their mission.

For all Partnerships, though, there was a great need to identify key supporters to help develop the early childhood system. Most often, these lead supporters included child care resource and referral agencies, the public schools, parents and health departments. They served in a variety of important ways from identifying the need for new services, to developing new and innovative services, to becoming part of the community team in building comprehensive and integrated services for young children and families.

To effectively harness the energy of these community supporters, the local Partnership took a leading role in community planning and facilitating collaboration among agencies and services providers. Many Partnerships have used recognized community development strategies such as task forces and special work sessions to identify needs and resources and involve the community directly in the planning of services. In addition, consultants with facilitation and strategic planning expertise are often hired by local Partnerships to promote dialogue among community agencies and foster "systems-change" thinking to improve the service delivery system for young children and their families.

For most Partnerships, however, administrative resources are not adequate to fully support these community development efforts while meeting their mandated accounting and contracting responsibilities. One key reason is that the original Smart Start legislation limited administrative dollars to a lean eight percent of the total service budget. Since planning and community development functions that support service delivery must also come from the administrative allocation, Partnerships have faced significant challenges in assuming these multiple roles.

Partnering with Community Service Providers

The Value of Child Care Resource and Referral

The North Carolina child care system is plagued by a host of seemingly intractable problems–poor quality, low wages, limited benefits, high turnover, inadequate supply, and lack of transportation and other child and family support services. To address these issues, most communities needed the services of an agency that was dedicated to improving the quality and affordability of child care. The original Smart Start legislation recognized this need and designated funds for child care resource and referral services. Every local Partnership was encouraged to develop these services to support the development of the child care system. As anticipated, child care resource and referral agencies proved to be invaluable partners in building the child care system at the local level.

In Orange County, for example, Child Care Services Association (CCSA) was a key link to the child care community. They quickly identified the providers, assessed the quality of each program, and–since they already had relationships with the providers–effectively encouraged their participation in Smart Start.

Moreover, CCSA's analysis of the low wages paid to child care providers, with the correspondingly high turnover rate, was the basis for the Partnership's funding of the W.A.G.E.$ project, which awards child care teachers supplemental wages as incentives to keep teachers in the field and pursue higher education. Because of its success, the W.A.G.E.$ project is now being replicated through the state. According to Michele Rivest, Executive Director of the Orange County Partnership for Young Children, "We couldn't operate without the leadership and assistance of CCSA. Thanks to them, we were able to focus on building our organizational capacity and grant process, while CCSA took the lead in working with the child care community to build the child care system."

Chatham County's CCR&R, called Child Care Networks, was already closely connected to the local department of social services and had assumed responsibility for managing the child care subsidy system. This is very unusual in North Carolina where departments of social services have historically administered federal and state child care subsidies. However, Chatham's public/private partnership has been recognized as a model because it is vital in reaching out to all populations of the community. For example, when Smart Start resources were available, they were put to use right away to help expand the subsidy system to meet the needs of children on the waiting list and the increasing Latino population. This was something which most local social service departments had been unable to do because of state and county regulations and resources.

Parents as Partners in Developing Family Support Services

Prior to Smart Start, family support services were largely provided by public social services and mental health agencies, yet often lacked a specific focus on young children and families. To bridge this gap, local Partnerships often turned to parents for help in developing new services. Through focus groups, surveys, and even door-to-door outreach, parents were asked directly what services families needed to better care for and support their children. This direct approach–that is, of finding parents through outreach strategies and serving them where they are–has become the hallmark of local Partnership efforts. Since Smart Start, the family support system has expanded into the homes of families, public housing communities, and community churches.

"It became obvious to me that we could count the number of children in preK and the three child care centers in our county. I wanted to know where the other 700 children listed in the population census were," says Sharon Lord, the Executive Director in Jones County. Unraveling this puzzle helped drive the development of family support services in Jones County where, as Lord discovered, the majority of new parents remained at home to take care of their young children. So they weren't using child care programs.

In response, her Partnership developed a community outreach program that included a team of early childhood, health, and mental health professionals who provided home visits to the family of every newborn child in the county. This was not only a much needed service, but it gave the Partnership incredible access to information about the status of children and the needs of families. Lord told the home visit teams, "Let the parents define what it is that we can do for them, keeping in the back of your mind what you believe would be really important to help them nurture or educate their child."

Child Health Partners

One of the key goals of Smart Start is that children arrive at school healthy. Local Partnerships have been very creative in addressing this goal. Working with area health departments, hospitals, and other agencies, local Partnerships have funded a variety of immunization programs, development screenings, health education, and outreach efforts, including mobile health vans not typically provided by traditional providers.

One gap that drew concern statewide was the lack of dental care for children. Through creative alliances between local Partnerships and dental care providers, however, a number of solutions have been put into place. In Burke County, for instance, the local Partnership pulled together private dentists and the public health department to create a new clinic to provide free dental services and public education. Orange County has developed a program staffed by the health department and the University of North Carolina at Chapel Hill's Dental School in which dental students provide screenings to thousands of children each year. And in Region A, a rural mountainous area that encompasses seven counties and part of the Cherokee Indian reservation, three new dental clinics for Medicaid-eligible children have been established using a combination of public and private resources. Prior to Smart Start, not one dental provider accepted Medicaid-eligible children in this entire 3,500-square-mile-area of western North Carolina.

Other important and creative health programs have succeeded, as well. The Jones County Partnership for Children used Smart Start funding to build space at the local health department so that a visiting pediatrician could provide well child services for the first time. In Forsyth County, a large urban county with many outstanding health services, the Partnership brought health care services to poor communities by establishing special outreach clinics in which children and families could access a variety of health services for the first time. One effective strategy that many Partnerships have used is hiring additional public health nurses to go directly to children in child care to provide immunization checks and advice and give the teachers guidance about environmental safety.

Engaging the Public School System

While the public school might seem to be the most obvious ally, it may often be the most challenging to engage because of its focus on school-age children. However, in North Carolina, public schools tend to be involved in early childhood services in two main ways: as providers of child care services for three-and four-year-olds, and as agents responsible for providing mandated services to children with special needs. In rural areas, public schools may be able to provide much needed space to develop additional child care. And in urban areas, public schools may already be very invested in preschool programs for four-year-old children, and may be able to incorporate their services as part of the larger early childhood system that Smart Start hopes to build.

In Washington County, a poor rural county with fewer than 14,000 residents, the local Partnership is collaborating with the school system to ensure that all 150 four-year-olds have access to quality preschool experiences. And it's working. By combining forces, all children can receive instructional and enrichment services, whether in local day care centers or on the school campus. While the Washington County school system uses local funds and federal Title One funding to support the Pre-Kindergarten program, the Partnership contributes Smart Start funds to enhance the quality of services by reducing the staff/child ratios.

In Mecklenburg County, the largest metropolitan area in the state, the local Partnership has developed a collaborative approach between the school system and existing child care providers to develop an intensive, high quality program for three- and four-year-olds. Called Bright Beginnings, this program was begun by the local school system that looked to the Partnership for help to expand to more school sites. By facilitating a broader community dialogue on the need for preschool programs, the Partnership reoriented the program to include both the school system and existing child care programs. As a result, quality care will increase over time, since child care providers will now be required to meet the same high-quality standards mandated by the school system. The supply of child care has been increased as well. The program now takes place in both child care settings and at public school, supporting both the private and nonprofit child care systems while strengthening the school system's involvement in child care.

LESSONS LEARNED

- **Within the framework of state goals, allow local decision-making regarding needed services.**
The state should set the goals for local Partnerships early on to ensure a common vision for the early childhood initiative. This will provide a common framework and ensure an integrated approach at the local level. However, although a framework of what types of services are allowed with state funding is recommended to guide local planning, decisions about what specific services are needed and how to implement them is best left to the community level. Local decision-making creates both buy-in and ownership in the new services.

- **Recognize that building the early childhood system will take sustained commitment and a variety of strategies.**
To be effective, the early childhood system must include a focus on child care, child health, and family support. Local Partnerships need to look at the big picture, so they take a whole systems perspective in assessing what pieces are needed to develop a comprehensive and integrated approach to developing services for young children and their families. The state should facilitate this understanding and development through training and technical assistance.

- **Consider carefully whether to provide direct services or not through the local Partnership.**
Whether to provide services directly or foster the development of community services is a monumental decision that will significantly shape the role of the local Partnership. Local realities–including existing infrastructure, county resources, and relationships between community agencies–should all be weighed in making this decision. Partnerships should be aware that there are pros and cons to each decision that will impact the service delivery system, administrative support, fundraising, and community ownership. The Board and the larger community should be actively involved in deciding which path the local Partnership takes.

- **Recruit community partners early on to build a comprehensive early childhood service system.**
It will take all kinds of partners to build a new system of early childhood services. For the Partnership, developing effective collaborations will require investments of time to build strong relationships, as well as strategies and money to develop new programs to fill in service gaps. Community partners can bring both types of resources and new ideas to make services more readily available to more children in the community.

- **Involve parents in shaping family support services.**
Parents know best what is needed for their young children and can pinpoint the barriers to existing services. Making services relevant and accessible to families guarantees that families will use these services to improve their own parenting skills and resources, and that agencies will implement strategies to be responsive to the needs of families.

- **Provide extra support to the child care providers using Child Care Resource and Referral agencies as key leaders.**
The child care system will require extra care and nurturing to improve the quality of services, because most states, including North Carolina, provide only minimal technical assistance through licensing and regulation. While local Partnerships must have a community-wide focus, specialized agencies like child care resource and referral agencies can provide both administrative and programmatic support to improve the quality and affordability of child care.

A STORY FROM ORANGE COUNTY

The top priority of the Orange County Partnership for Young Children has been to improve the quality of the child care system. This commitment developed as a direct result of a report issued by the Child Care Resources Task Force that examined child care issues in the early 90s prior to Smart Start. Orange County's child care, according to this report, is the most expensive in the state, and almost two-thirds of the parents of young children use some form of regulated child care. "Their work made it obvious that we had to place a priority on offering high quality child care to all the parents and their children," says Anita Daniels, a former Chair of the Board of Directors.

To do this, the Partnership turned to Child Care Services Association (the child care resource and referral agency in the county) to develop multiple, coordinated strategies to raise the quality of child care. Sue Russell, the Executive Director, explains their approach: "We looked at all the ways to address the problems facing child care providers and developed strategies to address those issues. We took a systems approach by looking at the facilities, the quality of the teachers, the cost of care, and the child care environments, as well. We knew we had to find ways to provide incentives by offsetting the costs, while giving technical support to help providers take the next step."

The problems of low wages and high turnover led to the creation of the Child Care W.A.G.E.$ project that awards child care teachers supplemental wages as incentives to keep teachers in the field while encouraging higher education. The high cost of care was also a barrier; providers simply couldn't make improvements in their programs without passing on the costs to parents. So CCSA helped implement a comprehensive scholarship program for working-poor parents to help them purchase child care, while offering providers higher reimbursement rates for achieving higher levels of care.

Another strategy was to offer grants for environmental improvements, such as playgrounds and inside play areas. To be eligible to receive these grants, however, the providers are required to commit to achieving the next higher level of regulated care. And, through Project Upgrade, CCSA provides expert consultation from early childhood specialists, offers free training, delivers substitutes while child care teachers work on their education, and provides support teams for child care directors striving to achieve national child care accreditation.

"You can't underestimate the value of the support system that CCSA provides both the child care community and the Partnership," notes Michele Rivest, Executive Director of the Orange County Partnership. She credits CCSA with delivering solid technical assistance that includes mentoring and peer consultation to support child care providers in what is often a long-term commitment to building quality child care. "Child care providers know they don't have to go it alone. CCSA is there to guide them each step of the way," Rivest adds.

Have these new programs made a difference? Absolutely. "Parents see the difference Smart Start has made every day in our program," asserts Melissa Mishoe, Director of Wee Care Child Care in Chapel Hill. "Originally, we had our infant care program in the same building with all of the children and it just wasn't what we wanted for the babies." With Smart Start resources, infant care has been relocated to a building designed especially for babies and toddlers. Local Head Start Director Patsy Byrd adds, "Smart Start made it possible for our teachers to go back to school, and all our classrooms have been upgraded to meet national accreditation. Smart Start and Head Start are a great team."

Before Smart Start, Orange County had only three nationally accredited child care programs; today there are seventeen. Before Smart Start, there were no accredited family child care homes, and now there are seven. Today, over two-thirds of all preschool children are in higher quality care in Orange County, thanks to Smart Start resources and the dedication of so many child care providers. "I think we are well on our way to ensuring that when Orange County's children arrive at first grade, they will be ready to continue to be successful," notes Anita Daniels. "It's been worth it because the children are worth it."

A STORY FROM BURKE COUNTY AND DOWN EAST

Here are two different Partnership perspectives on the rationale for providing services directly or facilitating service delivery.

According to Angela Deal, Executive Director of the Burke County Partnership for Children, "For us it was a good decision to remain an administrative agency. We already had service providers who were willing to contract to offer their services, with both public and private agencies willing to step up to the table." From the beginning, the Burke Partnership Board recognized the importance of building a broad base of support and used the lure of resources to create a collaborative community. They also believed that Smart Start resources would best be located in such community agencies as the local Department of Social Services and the Health Department. Because these agencies viewed their roles as partners and contributors, they did not charge the Partnership for administrative costs.

Bolstered by this level of community support, the Partnership decided its focus would be on supporting the development of other agencies to develop high quality services, and to identify and fill gaps in the service delivery system. "From the beginning, it was key for us to involve a broad constituency. Businesses, churches, parents–they were all involved from the beginning, and that continues today," notes Deal. "What we've given them is a handle, a place to grab onto, to help children and families."

Deal takes pride in the fact that the Partnership is broadly recognized–thanks to its countywide plan–as the entity that serves as a community clearinghouse for early childhood services. She notes, "We are seen as the organization that knows what the issues are, has some resources and can access others, and is interested in working with still others to get services developed for young children."

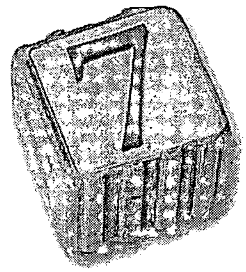
By contrast, the Down East Partnership is located in a rural area with little early childhood infrastructure. In fact, the Partnership itself emerged from a planning effort facilitated by local business leaders to develop child care resource and referral services and other community planning efforts. These efforts focused on the community's vision for how life could be better for all children and families.

When it was denied Smart Start funding in the first round, the Down East Partnership incorporated as a nonprofit and located other resources that enabled them to implement selected services that had already been identified as critical, such as child care resource and referral services and family preservation programs.

The original Board of the Down East Partnership planned to take on two formidable tasks: to provide leadership in the development of quality services and then to implement model programs. According to Executive Director Henrietta Zalkind, "We had a vision for what our role in the community would be and what we wanted to accomplish. We made a decision, even before Smart Start, to run programs that we considered essential because we thought the Partnership would be sure to develop excellent services, which is what this area needed."

For the Down East Partnership, program excellence and local leadership were key reasons to get involved at the service delivery level. The Partnership helped set the standard for other community agencies based on its own demonstrated ability to run programs well. Today, one of the hallmarks of their success is the co-location in a refurbished building of comprehensive services. Parents can stop by to find out about child care services and sign up for child care subsidies. At the same site, they can explore family support services, including parenting programs. Their children can play on a "model" playground that also serves as a showcase for safe and creative environments for young children. Because of its efforts, the Partnership is widely recognized now as a model for strengthening community by building an infrastructure of services for young children and fami-

L E S S O N



Measure for Success from the Start

BACKGROUND

From the beginning, evaluating the effectiveness of Smart Start has been critically important at both the state and local levels to engage community support and document the program's accomplishments. While accountability for public funds and program results has been one of the hallmarks of Smart Start, developing a comprehensive evaluation strategy has been challenging. Although everyone agrees that the broad purpose of Smart Start remains to ensure that "every child arrives at school healthy and ready to succeed," measuring that goal remains elusive and, at times, controversial.

Some state legislators expected immediate results in the first year of Smart Start, while others recognized that it would be several years before proof was seen in the kindergarten population. To make matters more complicated, each local Partnership has its own service delivery strategy and counties have phased into Smart Start over a five-year period. Given these various program strategies and the different timeframes for program development, it has been very difficult to compare program results across the state.

Recognizing these challenges, state leaders devised various evaluation strategies, and required local Partnerships to focus on evaluation as well. To allow for the inherent diversity of the local Partnerships and the bottom-up approach to designing services, the first Board of the N.C. Partnership for Children generated five global goals that were then distributed to local Partnerships as a framework to measure local success. Each Partnership was required to use these goals as an organizing template in the annual plans they submitted for funding.

In addition, their application for Smart Start funds had to contain evaluation measures for each proposed activity. This strategy forced local Partnerships to think "results" and to involve their community agencies in evaluation plans right from the beginning. It also provided a shared method for collecting consistent data across counties on a quarterly basis. These data have been very useful in portraying the types of services and the numbers of children and families who are benefiting from Smart Start.

Smart Start leaders also recognized that evaluating the impact of Smart Start was essential to the initiative's future. So they included funding for a statewide evaluation in the original Smart Start legislation. The Frank Porter Graham (FPG) Child Development Center–the research and development arm of the University of North Carolina at Chapel Hill that focuses on early childhood education–has been conducting the Smart Start statewide evaluation since 1994.

Initially, the FPG evaluation design involved only the first 12 Partnerships as participants in what has become an ongoing study. In 1995, FPG created a kindergarten readiness tool and established baseline data for all existing Partnerships. Using a random sample approach, FPG collects data every two years on the "readiness" and health status of kindergartners entering the public school. These data are used to measure progress over time and demonstrate long-term success.

FPG has also regularly assessed the improvement in the quality of child care services at the local level based on national research showing the link between quality child care for young children and long-term benefits. With the involvement of various Partnerships, FPG has conducted numerous cross sectional studies to look at certain aspects of Smart Start such as parent involvement and interagency collaboration. So there is a multi-faceted approach to evaluating Smart Start.

Evaluation at the local level is equally important and has been supported and encouraged by state officials in various ways. Through Frank Porter Graham, most first year Partnerships had the benefit of part-time evaluation staff who were hired by FPG, but often placed directly into the Partnerships. This sent a signal of the vital importance of including evaluation as a central function of the local Partnership's organizational capacity. Partnerships are encouraged by the North Carolina Partnership for Children (NCPC) to have evaluation capacity and are allowed to use either their administrative or service allocations for this purpose. NCPC also provides programmatic support and technical assistance to local Partnerships in designing their evaluation strategies.

In spite of this emphasis from NCPC, evaluation strategies are neither integrated nor standardized across the state. In fact, there are as many different strategies as there are local Partnerships. While this variety enables Partnerships to measure according to their needs, interests, and resources, it has prevented the compilation of collective results. To this day, the state and local evaluation strategies remain two separate processes. Unfortunately, this leaves local Partnerships without a clear road map for evaluation, since there is no universal agreement about which child and family outcomes to aim for or what the right measures are for "school readiness." Consequently, there is no county-level baseline data from which to measure progress across the state in later years.

This may be changing. In 1998, the NCPC provided leadership by developing statewide performance standards, and required local Partnerships to use these in the service plans for FY 1999-2001. Each program was required to describe specific outcomes for young children and families that would be accomplished during the next two years. A team of evaluators and Partnerships has been hard at work analyzing these plans and identifying the key indicators that all Partnerships could use to assess their performance locally. The foundation may now exist to build a comprehensive outcome-based evaluation. To the extent that these outcomes can be truly evaluated locally and reported to the NCPC, state leaders may soon be able to both describe and document what Smart Start is accomplishing for young children and their families across North Carolina.

LOCAL PARTNERSHIP PERSPECTIVES

While Frank Porter Graham continues to provide the leadership on statewide evaluation results, local Partnerships have focused on evaluating their own programs to demonstrate successful outcomes. Ultimately, the ability to provide meaningful and effective services is the key to success for Smart Start. To help measure progress, each local Partnership has hired either a full- or part-time evaluation staff person–or contracted this function out to professional evaluators, often associated with area universities.

Local Partnerships recognize that evaluation is necessary to measure the effectiveness of individual programs, but it is also viewed as part of their overall program monitoring and program development oversight. In this regard, Partnerships often provide considerable training and technical assistance to increase the evaluation capacity of the agencies they fund. Most of these human service agencies have had little training or experience in measuring the effectiveness of their services. Some of these agencies may not even have the capacity to handle the various Smart Start reporting requirements. Most are resistant to investing their resources in evaluation when they see their work as direct services. As a result, local Partnerships must be able to build the capacity of community agencies to develop data collection and evaluation strategies. When agencies develop a solid evaluation plan and internal capacity, program evaluation then becomes a tool that can be used to guide program development and improve performance.

Perhaps the most complex evaluation issue for local Partnerships is the dual role that many of their community agencies play–that is, as both Board members and grantees. So when grantees are deemed responsible for program failures or even non-performance, local Partnerships may be placed in exceedingly awkward positions. In the words of one Executive Director, "I am supervising my employers–the Board members–and that is a hard road to travel."

Because of this dilemma, many Partnerships rely on outside evaluators who hold independent contracts to ensure that the evaluation of a local activity is bias-free. Large Partnerships located in more urban areas have access to university-level evaluators or may have the resources to purchase consulting services from specialized firms. In these cases, they are often able to go beyond individual program evaluation to conduct complex needs assessments, community-level evaluations and even longitudinal research studies of school readiness of children entering kindergarten. For example, The Cumberland County Partnership has employed an evaluation consultant from the beginning. While individual program evaluation is essential according to its Executive Director, Eva Hansen, conducting special evaluation studies is equally important. The Cumberland Partnership recently completed a random survey of over 10,000 households with young children to assess their needs and interests, and to document their familiarity with Smart Start.

One of the most typical uses of outside evaluation consultants is for community needs assessment. The Region A Partnership has also used an outside evaluation firm to conduct a community-wide needs assessment every five years. This study provides an ongoing baseline and assessment about the needs facing children and families. Similarly, the Orange County Partnership for Young Children joined with other community agencies and local governments in contracting with the area United Way agency to conduct a community needs assessment. The study was actually conducted by a state university and incorporated random telephone surveys, key informant interviews, and focus groups.

While these types of studies are valuable, Partnerships have most often concentrated on demonstrating the effectiveness of the programs they are funding in their own counties. Local evaluation is necessary to ensure that local Partnerships have the capacity to monitor program performance and comply with state level reporting requirements. Many Partnerships have evaluators on staff with graduate or doctorate level expertise to train partnering agencies in self-evaluation and all aspects of data collections and analysis. This approach can often be less intimidating, as well as less expensive. Chatham County has employed a part-time evaluation coordinator who has worked intensively with their Smart Start-funded agencies to develop their data collection capacity. Grantees submit the data to the Partnership, which in turn compiles and analyzes the data and generates reports for the Board of Directors, as well as for the N.C. Partnership for Children. In a small, rural county, this type of evaluation support is essential; "without it local grantees would be unable to document their effectiveness," according to the Chatham County Partnership's program evaluator.

While the local Partnerships have typically focused exclusively on their own interests or programs, there are some instances of Partnerships joining forces to document results across counties. Kindergarten readiness is one such area. In an effort to measure the impact of Smart Start on achieving the goal of ensuring that children arrive at school healthy and ready to succeed, local Partnerships joined with Frank Porter Graham to conduct a special study. The Mecklenburg County Partnership and the Orange County Partnership were the first to develop this type of study, which has shown positive results.

In the summer of 1998, six diverse Partnerships representing urban and rural counties as well as different years of Smart Start, undertook a similar study in an effort to replicate the findings from Mecklenburg and Orange. This study was designed to determine whether children who attended child care centers that participated in

Smart Start quality improvement efforts have better skills when they enter kindergarten. Partnerships from Burke, Cumberland, Chatham, Durham, Forsyth, and Person Counties identified 214 children who had participated in centers that received multiple Smart Start enhancements, including safety and quality improvement grants, on-site technical assistance, and education scholarships. These children were assessed when they entered kindergarten using the same instrument, "The Kindergarten Readiness Checklist." Findings from this study indicated that these children showed better cognitive and language skills, and had fewer behavioral problems when they entered kindergarten, regardless of county residence. These types of studies are extremely valuable for showing how Smart Start is succeeding across counties throughout the state.

LESSONS LEARNED

- **Agree on a common goal, or set of goals, as quickly as possible.**
  Knowing what is important to measure keeps both state leaders and local Partnerships focused in their evaluation efforts, and helps create a mechanism for funding programs that are results-oriented. It also sends a very clear message to state leaders and communities about the importance of early childhood and the relevance of the initiative.

- **Decide on common outcomes that can be described at both the state and local level.**
  While this may be difficult, Smart Start would have benefited from having a joint set of outcomes that both the state and local leaders could mutually describe and embrace. The lack of a common vision has made it impossible to develop and measure shared, common outcomes across Partnerships.

- **Develop, right from the beginning, evaluation capacity at the state and local level.**
  Evaluation is expensive, so these resources must be built in at both the state and local level. And evaluation should not be an afterthought; rather, it should be built into the design of the program. If evaluation is to be organized at the community level, then each local Partnership must have equal capacity and resources to conduct program evaluations. The original Frank Porter Graham strategy of employing evaluators in the local Partnerships provided a strong evaluation foundation.

- **Promote shared state/local evaluation strategies to maximize the case for success.**
  Smart Start has used a parallel evaluation strategy at the state and local level. Although the state-level evaluation has been able to document Smart Start's success, local Partnerships could be contributing much more to the state-level evaluation, if the resources were integrated.

- **Build local capacity in setting community-level outcomes and individual program outcomes.**
  While a state-level strategy is essential, local Partnerships must develop their own community-level outcomes to gain community buy-in and participation. Further, each funded program must be required to develop individual outcomes. This promotes accountability at the local level that is essential to statewide success. This approach, however, requires intensive, sustained technical assistance and training to be effective.

- **Create a network of evaluation resources that share common methodology and support local efforts and costs.**
  Diversity in styles and approaches is important to building local capacity. However, a comprehensive evaluation that is centrally organized would provide greater consistency of data collection and statewide analysis, and would be more cost-effective and efficient than if each Partnership designs and builds its own system.

- **Recognize that the best defense when a program fails to meet its outcomes is a strong evaluation system.** At the local level, building a strong evaluation system is essential for program development. When a program wanders off course or fails to meet its objectives, a solid evaluation will allow the local Partnership to withstand community politicking over local initiatives. It also gives the local Partnership an objective way to assess program implementation and achievements.

- **Outcomes should be child-focused, not service-focused, to generate greater community interest and buy-in.** Community leaders and the general public are most interested in results for children and families. The documented success of local programs to improve the lives of children gives communities the confidence to support and invest locally.

A STORY FROM FORSYTH COUNTY

External consultants–usually associated with a university or a firm specializing in evaluation–can provide a wealth of expertise and skill development. Typically, local Partnerships need additional capacity in teaching agencies with which they contract how to develop measurable outcomes. All too often, since the agencies lack these skills, they aren't capable of reporting data that are reliable and useful for evaluation purposes.

In Forsyth County, the Partnership contracts with Rita O'Sullivan & Assoc., a firm affiliated with the University of North Carolina at Greensboro. According to Dean Clifford, the Partnership's Executive Director, "This approach gives us credibility because it provides an independent viewpoint. It also gives us access to a wider range of institutions, evaluation methods, and developments in the field than we could ever have with just a single staff person leading our evaluation efforts." Currently, O'Sullivan is providing technical assistance to each program on evaluation strategies, as well as conducting special evaluation studies on school readiness, agency collaboration, and improvements in child care providers and children participating in Smart Start programs. "Using outside consultants brings a special focus and a greater consistency to our evaluation efforts," claims Clifford.

In 1999, the Partnership funded more than 35 different activities and evaluating all these programs is an enormous challenge. O'Sullivan has provided intensive technical assistance with the Partnership's community agencies to develop viable evaluation plans and strategies. Through workshops and one-on-one technical assistance, community agencies learn how to assess their programs and build in-house data collection and analysis into their daily work with children and families.

Then, at the annual "Evaluation Fair," agencies share their results. This approach reinforces the skills of the entire group, while building peer evaluation networks in agencies working in child care or family support areas. It is also a very cost-effective method of building capacity among local agencies and fosters collaboration in program development, as well.

Naturally, the Partnership's program and funding committees use the results of these evaluations to make important decisions about which activities to fund and expand. To hear results from the grantees firsthand, Board members and funding committee members attend the "Evaluation Fair." Evaluation summaries are also sent out to the community to share the program results. "Because of this process, we're more able than ever to direct our resources to those programs which are producing important and exciting results for young children and families," reports Clifford.

For the Forsyth Partnership, evaluation is a team effort.

O'Sullivan brings her team's considerable evaluation resources and even outstations a consultant for 30 hours a week in the Partnership's office to ensure close coordination. The Partnership's program staff works directly with the evaluation team and the community agencies to develop meaningful evaluation plans and strategies. Ultimately, it's the community agencies that must develop effective programs for children and families. Now they have a way to describe their accomplishments. "We've given them the tools to document their success and to show that Smart Start is working in our community," states Clifford.

For this Executive Director, evaluation has been the key to showing that Smart Start is working, both locally and statewide. It has given them the research to prove beyond a doubt that young children and families of Forsyth County are benefiting from the many programs available because of Smart Start.

strategy to reach a wider audience and engender a community spirit.

Reporting in the Local Press

Using the local newspaper to showcase the work of the local Partnership is a very effective communications tactic. Several rural Partnerships, including Stanley, Rutherford, and Robeson County Partnerships, have developed special anniversary or regular newspaper inserts that document their work and promote various activities and accomplishments. In those areas with only one daily or weekly newspaper, an insert is highly visible and effective in reaching hundreds of people in the community. Editorials or occasional columns by either the Executive Director or Board leaders have also been featured in various papers throughout the state, reinforcing both the expertise of the Partnership in early childhood issues, while providing another opportunity to educate the community.

Special Events

Special events are often used by local Partnerships to reach large numbers of people in the community.

- In Ashe County, a small rural county tucked away in the northeast corner of the state, the annual Christmas parade presents an ideal opportunity for community awareness of the Partnership and Smart Start. Each year, the Partnership organizes a community float designed by local child care providers, with children at the heart of the theme. Last year, teachers read the children's story "The Night Before Christmas" to children in their pajamas listening attentively to every word.

- The Cumberland County Partnership for Children organized the "Smart Start Expo" as an annual showcase for various local Smart Start activities. Open to the public, The Expo is organized by volunteers and enables area vendors to promote their early childhood services. Hundreds of visitors attend each year.

- The "Week of the Young Child" is a national effort to promote early childhood developed by the National Association for the Education of Young Children. During this week, to take advantage of national press, the Wake County Partnership organizes a community festival that attracts over 5,000 parents and communi-

L E S S O N 8

Marketing is a Must

BACKGROUND

Gaining public support and confidence in any new initiative is vital to its future survival. Public awareness is the first step in building support, so marketing and communication are essential tools that must be used at both the state and local levels. From the beginning, Smart Start generated incredible media attention because Governor Jim Hunt was its champion, and he proclaimed its importance in every public forum in which he participated. In addition, during the early years of Smart Start, Governor and Mrs. Hunt visited all of the Partnerships, creating a tremendous sense of excitement and momentum for this new early childhood initiative.

In part because the Governor was such a public champion, no separate statewide public awareness campaign about the importance of early childhood or Smart Start was ever planned. Although many people believed that a statewide campaign was essential, state leaders were hesitant for many reasons. What single message could capture the diversity of strategies being developed? Should Smart Start be labeled a child care initiative or a community collaboration for all young children and their families? Could a marketing effort actually backfire? Should public funds be used to support a marketing campaign?

Perhaps the real reason a statewide marketing campaign was never pursued was political opposition. Some state leaders in the early days thought using Smart Start funds to broadcast the success of the program was political or otherwise inappropriate. Specifically, politicians opposed to Smart Start said it was unfair for the Governor to promote Smart Start with state dollars, since any media activity would essentially be used as a re-election campaign strategy. Others believed all funding should be dedicated to local services for children and families. In fact, when one local Partnership developed a comprehensive media campaign in the same market as the capital, the N.C. Partnership quickly moved to terminate funding to avoid any appearance of promoting Smart Start with state funds. In so doing, they gave local Partnerships the clear message that no Smart Start funds were to be used for public awareness activities–no ad campaigns, not even T-shirts for community volunteers.

Although funding the promotion of Smart Start was considered off-limits, the N. C. Partnership for Children (NCPC) worked diligently to support local Partnerships in their communication efforts, and has actively encouraged local storytelling about Smart Start activities and successes. For instance, NCPC early on hired a director of communications and public affairs who collected a tool kit of sample press releases, fact sheets, newsletters, and promotional materials for other Partnerships to adapt to their communities. The NCPC now also distributes a statewide newsletter, "The Smart Start Times," and coordinates communications through an advisory committee of local Partnerships and public relations experts who have volunteered to help shape NCPC communication strategies.

Recently, NCPC adopted the national "I Am Your Child" campaign and is working with private corporations to develop public awareness materials for parents as another strategy to promote the importance of the early years of childhood.

Web-based marketing is also a strategy used by NCPC. Its web site, smartstart-nc.org, provides a comprehensive source of information and news about Smart Start, links to local Parnerships, and a pass-protected area for specialized information for local Parnerships to use.

As a result of these combined strategies, there is greater awareness of–and interest in–early childhood issues and Smart Start. Even so, Smart Start marketing at the state level remains unfocused, in large part because Smart Start is so very difficult to market. It is not a single program or even a collective set of programs. Marketing Smart Start continues to require a variety of strategies that are focused around specific programs and their benefits for young children. Perhaps, the true test of the combined marketing effort is that Smart Start is now a well-recognized phenomenon in North Carolina with solid support from the general public, regardless of party affiliation, age, or other demographics.

Even so, juggling communication and marketing strategies with other responsibilities is a hard task–and one that generally falls to the overburdened local executive director. Very few Partnerships have resources beyond what can be eked out of their administrative budgets or pulled from staff and volunteers.

Still, Partnerships realize that to increase community support, public awareness is essential. Marketing is a tool to

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LOCAL PARTNERSHIP PE

The communication and marketing strategies used by local Partnerships have been extremely creative and resourceful, varying from county to county. Most have relied on traditional print media to announce new services or feature a program visit from a state or local dig-

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Granville-Warren Partnership for Children offered window fans to families who signed up for parenting classes.

Still other Partnerships have used a more personal touch. In Durham, for example, Hope for Kids organizes dozens of volunteers to canvas entire neighborhoods to promote childhood immunization to families in poor or remote neighborhoods. At the same time, volunteers use this door-to-door approach to inform these families about other local services. Bilingual outreach workers trying to reach Latino children and families now produce their materials in Spanish and post announcements in Mexican grocery stores and at the monthly flea market in one county with a strong Latino population.

LESSONS LEARNED

- **Develop a statewide communications effort to keep the spotlight continuously on the new early childhood program.**
  The N.C. Partnership's focus on communications and marketing provides not only inspiration for local Partnerships but technical assistance and guidance. This provides local Partnerships with an opportunity to share local successes, knowing that such efforts will be showcased and promoted to statewide audiences. Communication leadership and resources at the top are essential for the long-term survival of any initiative.

- **Create a statewide public awareness campaign that can be implemented and supported locally.**
  While a statewide campaign might be challenging to organize, it can be much more effective if it serves as the umbrella for local communication efforts. So put local "links"–local examples, tag lines for local contacts, etc.–into any statewide campaign. At the community level, people want to know where to go to get information or how to give time or money locally. A campaign that is locally implemented maximizes resources and conveys a sense of purpose and consistency to the public. The goal is to ensure that people across the state have the same general idea about the program.

- **Marketing is important to establish an identity in the community.**
  It's important to launch a marketing effort that conveys both the importance of early childhood and associates this program with a memorable name, like Smart Start. Too many programs and activities sound alike; this confuses the public and makes it difficult to organize public support.

- **Be creative–use a variety of strategies to communicate about your successes.**
  No single strategy can reach every audience in the community. Printed materials–newsletters, brochures, fact sheets, and reports–should be widely disseminated. Also use the public media–radio, print, and television–inviting the participation of various spokespeople, including service recipients, key leaders, and other public officials. With a growing and changing community, it is important to communicate often and be persistent.

- **Share media costs by involving businesses or United Ways in developing joint campaigns or piggyback onto another campaign.**
  When a local business or United Way joins up at the state or local level, the costs of a media campaign can be reduced and the campaign itself can be strengthened for both parties. Piggybacking onto a national campaign or the release of a national report helps to reinforce the message that early childhood is important.

- **Focus on children and success to attract community interest and support.**
  People gravitate toward young children and positive associations of childhood. Since citizens want to make a difference, showing them the real faces of children whose lives have been improved through early childhood services is one of the most effective communication tools. In addition, it's a sure way to attract the public media that always want to put a face with a human interest story. Focusing on program results also builds confidence.

A STORY FROM BRUNSWICK COUNTY

"First, we wanted to educate ourselves. Second, we needed to educate the community. And third, we needed to get buy-in from the community. We needed their resources and they needed to have trust-based services. We called this strategy our stepping stones for lasting change," says Lori Bates, Executive Director of the Brunswick County for Children.

Bates, a former Toastmaster with excellent communication skills, knew the value of launching a multi-faceted media campaign to build public support for the Partnership. One of the fastest growing counties in the state, Brunswick is in a coastal area and experiences dramatic population changes on a seasonal basis. While local residents number about 60,000, the county population balloons to well over 100,000 when summer tourists arrive. Bates decided that the local press was the one form of communication she should use constantly. "We were always trying to be the winning horse and project that image in the community. We celebrated everything," recalls Bates. Whether it was a new foundation grant or the election of officers, Bates made sure the local press had the story.

Rejected in the first two expansion rounds for Smart Start, Bates and the Board of Directors decided to use the information they had gathered about the needs of young children to host the "State of the Child" Conference. State leaders and local legislators were invited to this community event, which attracted people from all over the county. Bates and others presented "the facts" about the status of children and the changing demographics of the county. Board members generated commitment forms among audience members who volunteered to become active members of the Partnership. A few attendees even pledged financial support to get the fledgling Partnership started.

"Everybody was investing in the success of our organization," says Bates. "Those $5.00 gifts were more valuable to our organization than big money. There was a lot of community ownership. Whether they gave one dollar or fifty dollars, everybody felt like they were stockholders." The Conference has since become an annual event and a centerpiece of the Partnership's public awareness efforts.

Bates went on to use this strategy of educating, networking, and fundraising at every opportunity. For one County Commissioner's meeting, for example, she launched a postcard campaign with the slogan, "For the children of Brunswick County, we need the Brunswick County Partnership for Children." Hundreds of cards were sent in from all sectors of the community, including the churches. When it came time to consider a funding request from the Partnership, the Commissioners couldn't refuse it.

Bates says that the most valuable lesson she has learned is the importance of community buy-in. "When you ask people for money, they want to give, not just because they are benefiting but because they're on the team. It's the home team now."

Conclusion

What do these lessons tell us about the future of Smart Start and where it might be headed? We can look at what we've learned and use our experiences to forecast some of the key challenges ahead for North Carolina. We can imagine that other states and communities which have implemented similar early childhood initiatives will face similar challenges.

Smart Start's Future

First, the perennial question of "Will Smart Start be continued after Governor Jim Hunt leaves office?" As you might guess, we certainly think that it will be, although the form might change as state policymakers continue to assess its effectiveness and the costs involved. Smart Start has been built as a local initiative and it now has roots in all 100 counties of North Carolina. Tens of thousands of people are actively involved in Smart Start, as Board and committee members, grantees, recipients of services, and interested citizens. This bottom-up approach is one of the real strengths of Smart Start, and there is clear support for early childhood education throughout the state and the nation.

The price tag for Smart Start is certainly reasonable and viable when compared to other tax-supported services. Approximately $320 million will be needed to fully fund Smart Start on an annual basis, and nearly three-fourths of this has already been committed by the state. North Carolina will spend about $350 per child this year on Smart Start, a fraction of the more than $5,000 per year spent on school-age children. We think Smart Start will continue to be politically and publicly supported, regardless of who becomes the next Governor, because there is grassroots support, the program is producing results, and it is cost-effective.

Other Key Early Childhood Issues

Another important question is "How will Smart Start fit in with other early childhood issues in the state?" We do expect to see some future evolution of Smart Start that will take into consideration other key early childhood issues. These include:

- **Fair Market Rates for Child Care:** Child care providers serving low-income children must be paid fair market rates, if the state is to build a quality early childhood system. This, however, poses a dilemma. Currently, the state determines market rates for each county by calculating the amount that private, fee paying parents spend and then establishing an average cost for care in that county. The state recently conducted a market rate study based on 1997 data, but it did not establish new rates because of the expense involved in making these changes. It will take a significant increase in tax dollars to pay for these improvements, so that each county can meet its fair market rate for child care. So far, additional resources have not been forthcoming to support better market rates.

Another process was also created by the state that will affect the cost and quality of child care. In the fall of 1999, North Carolina began to implement a "Five Star Rating System" for child care providers that is a point system keyed to the quality of the center or home, its compliance track record, and the education level of the teachers. Child care subsidy reimbursements will be based on these ratings under this new Five Star system. However, the state added only minimal resources in 1999 to support these improvements. For example, child care centers with a "three star" rating will only receive $17.00 more per subsidized child, hardly enough to improve the quality of the care to reach the next star. Without adequate resources, the state instead looked to the local Smart Start Partnerships and through legislation has strongly "encouraged" each Partnership to fund the Five Star System and create other strategies to pick up the costs for improving quality. North Carolina is now struggling with different ways of paying for child care in the hundred different counties. What many believe should have been a state-funded policy has become local policy. How this will play out over time remains to be seen.

- **Child Care Subsidies:** There will, perhaps, always be pressures to provide additional child care subsidy funds for working parents with young children. As a state that historically has had one of the highest rates of working mothers, North Carolina struggles to ensure adequate child care, particularly for infants and toddlers, even with Smart Start. The advent of welfare reform has required thousands of single mothers to enter the work force, yet the child care system is woefully inadequate to provide quality child care for the very youngest children in the state. Under Smart Start, 30% of all local funding must be used to support child care subsidies and still a waiting list remains. Whether Smart Start and other federal and state sources combined will be adequate to meet the total need of working families for child care is still unknown. Meanwhile, the state legislature continues to be quite concerned about the waiting list for child care services because it impacts the ability of parents to work.

- **Universal PreK Programs:** There is also an increasing interest by the public schools to have a universal public preschool program for four-year olds, and a bill was introduced last year in the N.C. General Assembly to create such a program. If this movement is successful, it will have tremendous impact on both the child care system as it exists today and on the future direction of Smart Start. Who will provide pre-kindergarten programs? Will it be the public school system or some combination of the existing child care system and the school system? It is too early to predict whether there will be a groundswell of support for preschool programs of this type and whether policy direction will come from the state.

- **School Readiness:** Finally, there is a renewed effort, also led by the public schools, to define school readiness in universal terms that would be applicable to each school system. If and when this occurs, it will reverberate throughout the Smart Start communities and have major implications for local programming. Smart Start has never defined "school readiness" even though its major mission has been to ensure that children arrive at school " healthy and ready to learn." Already questions abound, with the most salient one for local Partnerships being whether they should be required to invest in program strategies that lead to these specific outcomes if specific school readiness outcomes are established at the state level.

Local Implementation of Smart Start

What about the local implementation of Smart Start? The original design of Smart Start was built upon the assumption that each county, regardless of population size, would have its own local Partnership with a baseline floor of administrative support. While this administrative floor has remained fixed, it is increasingly clear–at least to local Partnerships–that these resources are inadequate to support the complex roles and high accounting standards required of them. And the state legislature is not likely to support higher administrative costs. Many concede that this may well be the biggest design flaw in the whole Smart Start initiative. It just doesn't make economic sense to support the administration of 100 different entities.

As the state increasingly demands greater control and standardization of the contracting and accounting functions, local Partnerships are being strongly encouraged to consolidate these functions across several Partnerships. The future of Smart Start will likely see a mix of hybrid administrative approaches and multi-county collaborations in all but the very large, metropolitan counties that can afford to stand alone. Some Partnerships are also debating whether they should expand beyond their original mission to include older children and serve a broader population. Still others are working hard to secure other resources beyond Smart Start to build a viable organization and ensure diversity of funding sources to support organizational development and administrative needs.

On the program side, most Partnerships believe that there has already been a tremendous reduction in the amount of local control, or autonomy, that exists in designing services as the state Partnership has increased its authority over what types of services can be funded with Smart Start dollars. Perhaps this tension between local autonomy and state requirements was inevitable as the program grew from 12 Partnerships into a statewide initiative. It is also a direct result of the change in administration at the state level and the growth of the N.C. Partnership for Children, which has evolved from its original role as policy advisor to statewide administrator. Regardless of whether one views this as positive or negative, it is safe to predict that Smart Start is evolving into a more homogenous set of child care, child health, and family support activities that will be much more closely monitored by the state in the future.

Change is Likely

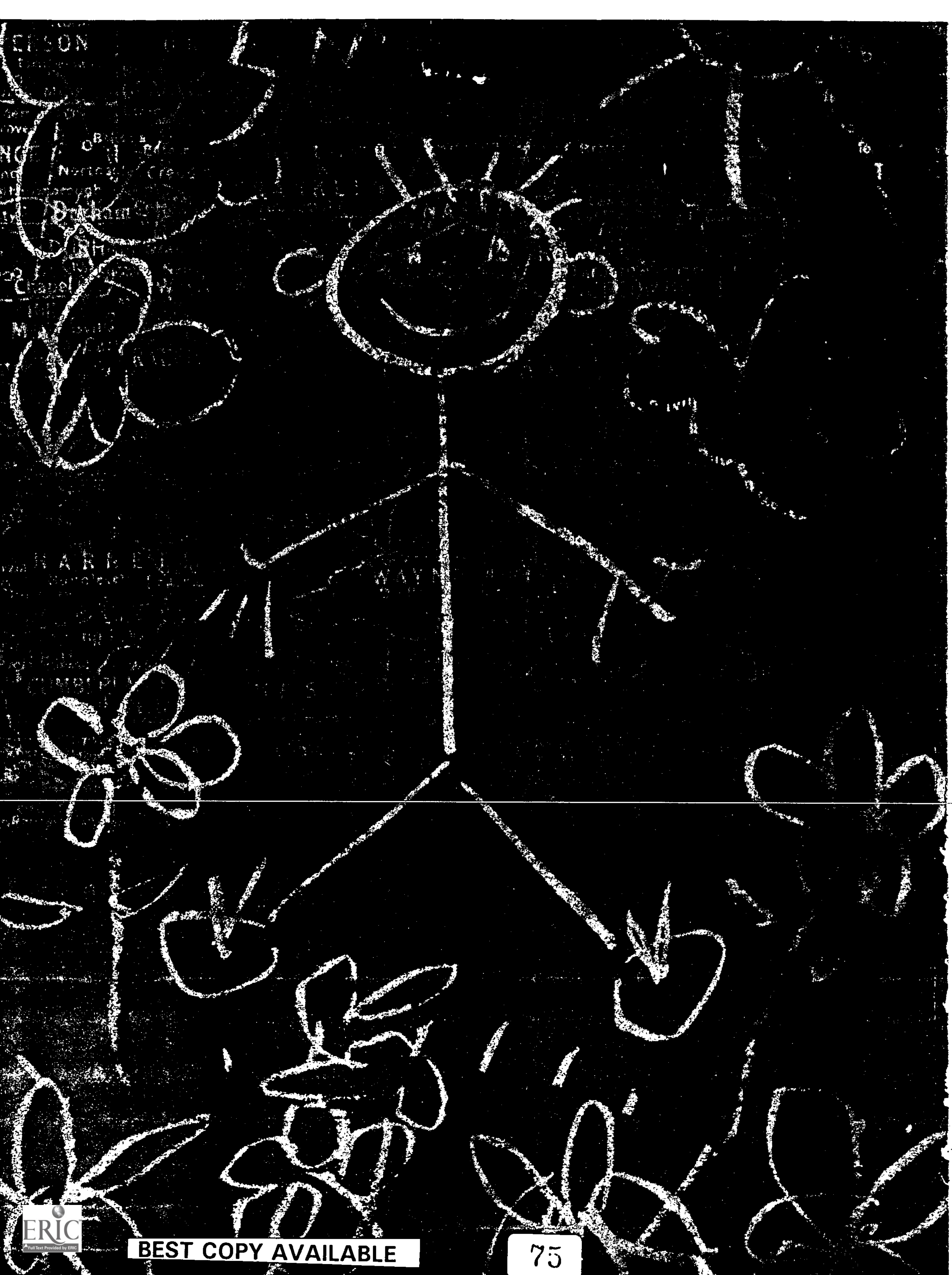
The relatively short history of Smart Start has been marked by constant change, and we can safely predict that this will continue. For instance, the "Year Five" local Partnerships are just now getting started. Although they represent almost half of the state geographically, they are located in some of the least populated and most rural parts of the state. As a result, they contain less than one-fourth of the total child population.

It is these counties, however, who face the greatest hardships brought on by limited resources and daunting economic challenges. In most cases, their early childhood infrastructures are underdeveloped, as are all other parts of their infrastructures. To meet their special needs, then, the state might need to launch a special Smart Start initiative or reconsider the current funding formula to guarantee that they have the resources they need to effectively deliver comprehensive services for young children and families.

The Future is Now

In many respects, the future of Smart Start is already apparent. In the last five years, Smart Start has transformed communities throughout North Carolina. The real strength of Smart Start lies at the local level in which agencies and citizens have come together to solve problems and share their resources. Eighty-one new local Partnerships have been formed to provide leadership and build a caring community for young children and their families. Collaborative efforts exist today among agencies that have historically operated only along turf lines. Private resources have been blended with state and federal dollars to extend services to many more children and families than Smart Start could serve alone. Across the state, people believe that Smart Start is critical to children and families, regardless of their age, race, income, or geographic location. In six short years, early childhood education has become an integral part of the human services landscape of North Carolina.

Smart Start has benefited tens of thousands of young children and families across North Carolina. It is slowly but surely putting a spotlight on early prevention efforts and the importance of early childhood. Today, there are children who have seen a doctor for the first time, children who are learning to read and play with others, and children who have had a Head Start experience. Services have been opened to children with special developmental needs and to children of Hispanic migrant workers. Families are more satisfied and productive employees because they have had access to quality, affordable child care. Parents have had the opportunity to learn how to care for and nurture their children, and are more confident and capable parents. For those who wonder about the importance and effectiveness of Smart Start, the proof is in these children. The future for young children is certainly brighter because of these quality experiences that Smart Start has made possible in North Carolina.



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