

U.S. Department of Education
Washington, D.C. 20202-5335



APPLICATION FOR GRANTS
UNDER THE

Preschool Pay For Success Feasibility Pilot Grant

CFDA # 84.419C

PR/Award # S419C170010

Grants.gov Tracking#: GRANT12263380

OMB No. 1810-0728, Expiration Date: 08/31/2019

Closing Date: Oct 06, 2016

**U.S. DEPARTMENT OF EDUCATION
BUDGET INFORMATION
NON-CONSTRUCTION PROGRAMS**

OMB Number: 1894-0008
Expiration Date: 06/30/2017

Name of Institution/Organization

Mecklenburg County Government

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION A - BUDGET SUMMARY
U.S. DEPARTMENT OF EDUCATION FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs*						
11. Training Stipends						
12. Total Costs (lines 9-11)						

***Indirect Cost Information (To Be Completed by Your Business Office):**

If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:

- (1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? Yes No
- (2) If yes, please provide the following information:
 Period Covered by the Indirect Cost Rate Agreement: From: To: (mm/dd/yyyy)
 Approving Federal agency: ED Other (please specify):
 The Indirect Cost Rate is %.
- (3) If this is your first Federal grant, and you do not have an approved indirect cost rate agreement, are not a State, Local government or Indian Tribe, and are not funded under a training rate program or a restricted rate program, do you want to use the de minimis rate of 10% of MTDC? Yes No If yes, you must comply with the requirements of 2 CFR § 200.414(f).
- (4) If you do not have an approved indirect cost rate agreement, do you want to use the temporary rate of 10% of budgeted salaries and wages?
 Yes No If yes, you must submit a proposed indirect cost rate agreement within 90 days after the date your grant is awarded, as required by 34 CFR § 75.560.
- (5) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:
 Is included in your approved Indirect Cost Rate Agreement? Or, Complies with 34 CFR 76.564(c)(2)? The Restricted Indirect Cost Rate is %.
PR/Award # S419C170010

Name of Institution/Organization Mecklenburg County Government	Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.
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**SECTION B - BUDGET SUMMARY
NON-FEDERAL FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)						

SECTION C - BUDGET NARRATIVE (see instructions)

ED 524

**Mecklenburg County, NC Response to US Department of Education CFDA 84.419C
Preschool Development Grants - Preschool PFS Feasibility Pilot Grant**

Abstract: Public Pre-K in Mecklenburg County PFS Feasibility Pilot Grant Proposal

Mecklenburg County (County), in partnership with Charlotte-Mecklenburg Schools (CMS), and other stakeholders, is submitting this proposal to receive a grant award under this funding opportunity to conduct a feasibility study to determine whether and how the Pay For Success (PFS) financing mechanism can be employed to enhance CMS' Bright Beginnings preschool model and to serve more educationally and/or economically at-risk four-year-old children (up to 200% of the Federal Poverty Level).

This program will be known as Public Pre-K for eligible four-year-olds in Mecklenburg County (*PPKMC*). There are an estimated 2,700 four-year-old children (many of whom are minorities) living in households at less than 200% of the Federal Poverty Level who cannot yet be served within current funding levels for either public pre-K or high quality subsidized child care. These unserved eligible children will be our target population.

Key activities include creating a highly effective PFS stakeholder team, engaging a reputable intermediary to guide the technical work, developing knowledgeable working groups to address every aspect of necessary feasibility analysis, and using expert subject advisors to support the PFS stakeholder team and working groups.

The County's priorities for the feasibility study include: 1) demonstrating the efficacy of PPKMC with use of existing research and the integration of existing robust data from the

County, CMS and providers; 2) developing outcome measures that can be monetized to payers, funders, and others; and 3) applying performance-based contracting to leverage accountable early childhood education innovation and investment.

The application features we believe make Mecklenburg County a compelling candidate include:

1) a clear need and strong commitment to meet that need; 2) the opportunity to test a high quality pre-K model; 3) a high likelihood of successful completion of quality PFS feasibility study within a year, 4) commitment of appropriate resources and strong community collaboration; and 5) our openness to learning and sharing.

If awarded this grant, the County intends to use PFS feasibility study results to:

- Inform expansion of public pre-k to meet the needs of all at-risk four-year-olds;
- Demonstrate a return on investment (ROI) for critical transaction participants (payers, funders, etc.) that can be recognized as children enter kindergarten and progress; and
- Build public will for investment in universal pre-k for four-year-olds (beyond the confines of PFS) with county residents seeing the value of high quality preschool education for their community and seeking to support its further expansion through public means.

Mecklenburg County, North Carolina
Response to US Department of Education CFDA 84.419C
Preschool Development Grants - Preschool Pay For Success Feasibility Pilot Grant

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INTRODUCTION

Mecklenburg County is North Carolina's largest local government jurisdiction with more than one million residents, including approximately 70,000 children under age five. In 2014, a report was released by The Equality of Opportunity Project (authored by researchers at Harvard University and University of California- Berkeley) that ranked Charlotte 50th out of 50 cities for economic mobility. According to the study, the probability that a child born into the bottom fifth of incomes here will rise to the top fifth in his/her lifetime is just 4.4%. Common features of cities with higher ratings included "less income inequality, better primary schools, greater social capital and greater family stability."

The report's findings have renewed and increased the urgency of and focus on addressing and reducing inequities -- right from the start. Our County recognizes the long-term implications if we do not develop additional strategies to improve access to affordable quality education in the early learning years -- to close the educational gaps that open long before a child enters kindergarten. Mecklenburg County leadership has made supporting and funding quality education for all children a top priority. Consistent with research findings, we agree that a child's access to quality early childhood education (ECE) is key to his or her academic and career success.

Mecklenburg County's public school system, Charlotte-Mecklenburg Schools (CMS), was an early implementer of public pre-kindergarten for four-year-old children, launching its Bright Beginnings Pre-K program in 1997. Bright Beginnings serves four-year-old children with documented educational needs. It is designed to provide a child-centered, literacy-focused curriculum to prepare children for success in kindergarten and beyond. Four-year-olds identified through a screening and selection process participate in a full day program.

While effective, and despite the expansion of this program with resources from NC's statewide pre-K program (now known as NC Pre-K), Bright Beginnings has not yet scaled to serve all educationally and/or economically at risk four-year-olds in the County, and currently serves nearly 4,000 children (less than 2/3 of the need). Children served either have educational need and/or live in households earning up to 200% of the Federal Poverty Level (FPL).

In his early 2016 State of the County address, Trevor Fuller (Chair of Mecklenburg's Board of County Commissioners) called for a major expansion of the County's support of early childhood education, which will require significant planning and resource development. In recent weeks, Charlotte-Mecklenburg's Opportunity Task Force (charged with developing strategies to improve economic mobility) released its first strategic priority: increased access to high quality, affordable child care and public pre-K.

This grant opportunity will be critical to the County's efforts to expand, enhance and finance the scaling of Public Pre-K for eligible four-year-olds in Mecklenburg County using the Bright Beginnings (BB) model (*herein after referred to as PPKMC*).

We strongly believe that a feasibility study is the ideal approach to determine if Pay for Success (PFS) is a viable and appropriate strategy to expand and further enhance high-quality preschool

programs to serve our most at-risk children. Our grant application highlights our existing model for engaging community partners in the early childhood education arena as well as our demonstrated history of successful federal grant oversight and management, subsequent program implementation, and program evaluation that informs continued program improvement to meet the school readiness needs of at-risk young children.

Our application has several features that we hope make Mecklenburg County a compelling candidate for a Department of Education award.

- **A clear need, and a strong commitment to meet that need:** We know that we currently have approximately 2,700 unserved high-need 4-year-olds, and that number is growing based on current demographic trends. Our county commissioners have made early education a priority and have approved moving forward with a review of financing options to be completed within a year in order to consider which combination of public and private financing to pursue. This feasibility study will not sit on a shelf. We are prepared to act quickly once the data from this and other parallel studies are completed
- **Opportunity to test a high quality model:** Mecklenburg's Pre-K program meets all of the National Institute for Early Education Research (NIEER) quality benchmarks and has had promising evaluation results (though without a random control trial). Perhaps even more important, however, we are committed to strengthening our model based on the best available research evidence. We propose to take advantage of this grant opportunity to convene our current local Pre-K evaluators and national ECE experts from Frank Porter Graham Child Development Institute at UNC – Chapel Hill and the Urban Institute in Washington, D.C., to help us identify the most promising approaches to strengthening our program model before we launch a PFS project. We will prioritize positive educational outcomes, like third grade school performance and socio-emotional development, rather than near-term cost savings.
- **High likelihood of successful completion of a high-quality PFS feasibility study within a year:** We are well prepared for this opportunity. We have attended two Early Childhood PFS conferences with a full team of our ECE partners represented, and we have already begun work with Third Sector Capital Partners to prepare for a feasibility study. We know the key elements needed for successful completion of the feasibility stage and progression to transaction structuring, and we have been working for some time to build our capacity. For example, we already have an evaluator and data sharing agreements in place and for adaptation for the PFS feasibility study; and we already have the legal capability to make multi-year budget commitments, as needed for PFS outcomes payments.
- **Appropriate resources:** We understand the intensive time commitments needed from government to complete a high quality feasibility study expeditiously. Our County Manager will head this effort to ensure full cooperation with the study contractor. Our budget includes funding for a half-time data coordinator for CMS to ensure that we can fulfill data requests promptly without overloading our current staff. The County will also create (and fund with its own funds) a half-time project coordinator position reporting to the County Manager to

ensure adequate staff support. We know that these two areas have been troublesome in other PFS studies, and we are committed to overcoming these challenges. Also, by pre-selecting a pre-eminent PFS advisory firm with which to contract, we know that we will be able to move smartly and expeditiously toward study completion.

- **Openness to learning and sharing:** We want to learn from all of the ECE PFS efforts that have preceded us, and we are eager to share our experiences with colleagues across the State and the nation. We have included State representatives in our Partnership so as to stimulate further PFS efforts in NC. We have reached out to Third Sector and the Urban Institute so that we can learn from their national experience, and so that Urban Institute can share our lessons learned with other grantees and interested communities under their national PFS Initiative funded by the Laura and John Arnold Foundation.

Our application elaborating on all of these points is presented below, following the order of the Selection Criteria listed in the Grant Announcement.

NEED FOR PROJECT

Mecklenburg County is North Carolina's largest population center – a thriving area that is racially, ethnically and socio-economically diverse. Nonetheless, Mecklenburg County reflects many communities in the US struggling with increased poverty and socio-economic inequalities, especially for its youngest residents. Many of our children are at risk, due to a variety of factors, of not being ready for kindergarten. While CMS has a relatively high graduation rate for the State, poorer minorities and Limited English Proficient children and Students with Disabilities lag behind their peers and are not achieving the same graduation rates. Evidence demonstrates that PPKMC would give the County's at-risk children the foundation they need to be successful in school and in life.

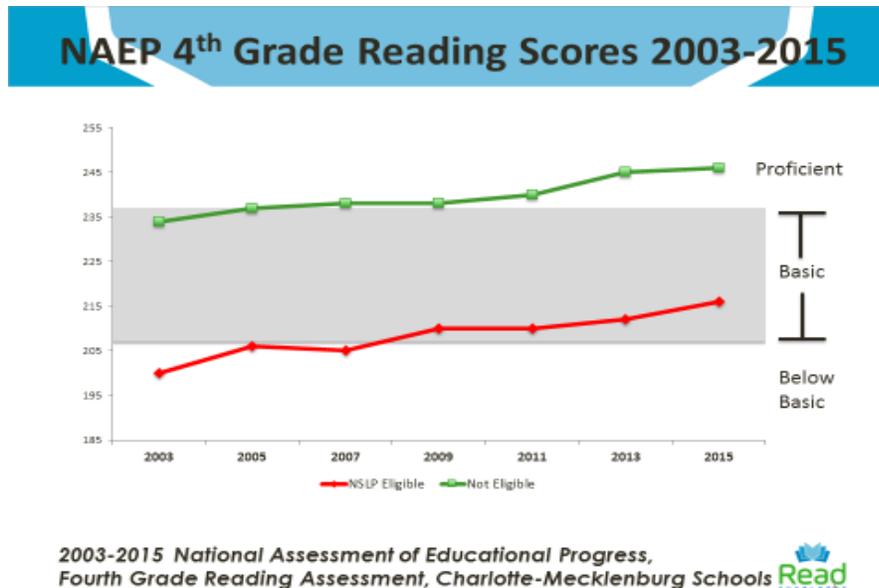
Following are key statistics relating to Mecklenburg County and the target population.

- 1,013,199 residents (59.2% White, 32.2% Black, 12.7% Hispanic/Latino, 5.5% Asian)
- For the five years ending 2015, the population increased by 27% among Asians, 15% among Latinos, and 21% among those identifying with two or more races
- 151,386 residents (15.2%) live in poverty
- 17,163 children under five (24.5%) live at or below poverty
- 14.6% of households are headed by a female with no husband present
- 87.8% of families headed by single females with children under five (6,520 households) live at or below poverty
- More than 2/3 of families with children under six have all parents present in the workforce
- Nearly 149,000 CMS students (40% black, 29% white, 22% Hispanic/Latino, 6% Asian, 3% American Indian) from 158 countries speaking 175 different native languages. Of these, the 3,856 CMS Pre-K student population is 41.7% black, 5.5% white, 43.6% Hispanic/Latino, 7.1% Asian, 1.8% multi-racial, .3% American Indian and at least 67 languages are spoken within pre-K classrooms.

- 54% of CMS students are eligible for National School Lunch Program
- Nearly 10% of students served by CMS are in its exceptional children's program
- In 2015, CMS four-year graduation rate was 88.3% overall
 - White – 93.8%
 - Black – 92.3%
 - Economically Disadvantaged – 83.1%
 - Hispanic students --79.6%
 - Students with Disabilities – 65.4%
 - Limited English Proficient Students -- 64%

Just this year, North Carolina implemented a Statewide Kindergarten Entry Assessment process to “learn what children know and are able to do, including their disposition toward learning, when they enter kindergarten and/or at other times.” Accordingly, we do not yet have county level empirical data indicating disparities in students’ school readiness upon entry based on income or other factors. However, substantial achievement gaps in reading scores remain between CMS Black/African –American and White third grade students: 32.4% vs. 76% College and Career Ready (CCR) and CMS Hispanic and White third grade students: 29.1% vs. 76.0% CCR in 2014-15.

Moreover, CMS fourth grade reading scores as reported by the National Assessment of Educational Progress indicate significant disparity in the reading proficiency of students eligible to participate in the National School Lunch Program versus non-eligible students:



Data Supporting Selection of the Proposed Target Population

The County estimates there are 2,700 four-year-old children (many of whom are minorities) living in households at less than 200% of the Federal Poverty Level who cannot yet be served within current funding levels for either public pre-K or high quality subsidized child care. These unserved eligible children are our target population, selected based on the below-outlined data:

According to the most current data available, there are 13,976 four-year-old children in Mecklenburg County, of whom:

- 4,742 are enrolled in licensed child care (most of these children are served in higher 4- and 5-star rated child care centers)
- 2,678 are enrolled in CMS Bright Beginnings school-based classrooms
- 6,556 (47%) are “unserved” (i.e. not enrolled in licensed child care or public pre-k)

Of these unserved children, 2,684 (44%) are economically at risk (which we define as living in households below 200% of FPL):

- 1,464 (24%) living in households at or below 100% of FPL
- 1,220 (20%) living in households between 100% & 200% of FPL.

Definition of Proposed Target Population

Accordingly, we are targeting PPKMC to serve an additional 2,700 economically at-risk four-year-olds (living in households with incomes of up to 200% of FPL). As overall CMS kindergarten enrollment remains fairly stable, and the percentage of at-risk children continues to increase, we anticipate that the number of additional children needing PPKMC will also continue to grow. Data indicate these children are at greater risk of failing to meet North Carolina’s academic content standards than children from more economically advantaged homes.

There will be three criteria for PPKMC eligibility:

- Child must be four years of age on or before August 31st of the program year
- Child must be a resident of Mecklenburg County
- Child must reside in a household with an income of up to 200% of FPL

Additionally, children will be screened for educational need but not as an eligibility criterion for PPKMC admission.

We intend to develop a multi-year preschool PFS program application of Mecklenburg County Public Pre-K that will ultimately include 2,700 four-year-olds to be tracked through 3rd grade. The following Target Population of four-year-olds is illustrative based on this tentative schedule:

Year of Enrollment	Number of Children	Year of Outcome Tracking Completion
2018	1500	2023
2019	2000	2024
2020	2500	2025
2021	2700	2026

We expect to specify Outcome Measures to be tracked beginning at the time of PPKMC matriculation and extending through 3rd grade. Specific proposed Outcome Measures will be discussed later in this application.

Data Demonstrating How Target Population Lags Behind Other Groups in Achieving Key Outcomes that a Future PFS Project Will Seek to Achieve

Four-year-old children who have been determined eligible for Bright Beginnings based on educational need have been assessed using the *Brigance Early Childhood Screen*. Children entering Bright Beginnings based on educational need demonstrate deficits in the “core knowledge” (personal information, naming colors, identifying pictures by naming, visual discrimination skills, visual and gross motor skills, naming parts of the body, following verbal two and three step directions, counting by rote, recognizing quantities, verbal fluency and articulation).

In addition, they are often observed to have delays in self-reliance, emotional functioning, and motor skills. Parents complete the *Brigance Social Emotional Scale* and when interviewed by screeners, name factors that are typical psycho-social risk factors (lack of support in raising child, exposure to neighborhood violence, lack of social interactions, and are unable to name activities, like reading or playing games, where they are engaged with their children). Screener observations are also used to identify lags in age appropriate skills in self-reliance, emotional functioning and motor skills and other physical delays.

Currently, CMS does not use data collected on individual children to compare with individual gains in Pre-K. Instead, the composite score reflects the set of knowledge, behaviors and attitudes that typically define school readiness.

QUALITY OF THE PRESCHOOL PROGRAM DESIGN

About Charlotte-Mecklenburg Schools

CMS is the 18th largest school system (2nd largest in NC) with an enrollment of 149,000 children in pre-K through 12th grade in 168 schools. A consolidated elementary and secondary, city and county system, CMS is governed by a nine-member board of education. CMS has received national recognition for academic excellence and innovation with these recent honors:

- The district was the winner of the 2011 Broad Prize for Urban Education. Awarded by the Eli and Edythe Broad Foundation, the award is given to a school district that is simultaneously raising achievement and narrowing achievement gaps.
- The district’s cohort graduation rate has improved by 15.2 percentage points since 2010, rising from 69.9% in 2010 to 85.1% in 2014. This increase has exceeded the growth in the state graduation rate (83.9% in 2014). The graduation rate for all subgroups has also

increased over the same period. For students in the Career and Technical Education programs offered by CMS, the cohort graduation rate in 2014 was 95.6%.

- On the National Assessment of Educational Progress (NAEP), often called the nation's report card, CMS has consistently been a top performer. CMS is part of the NAEP Trial Urban District Assessment (TUDA), which compares the performance of students in 21 selected cities. CMS placed first in fourth- and eighth-grade mathematics and second in fourth- and eighth-grade reading in 2013. The district's percentages of students who scored at or above proficient on the tests exceeded those for the nation's public schools and large cities.

About Public Pre-K in Mecklenburg County and North Carolina

Mecklenburg County and North Carolina were early adopters of public pre-K, with Charlotte-Mecklenburg Schools (CMS) launching a school-based pre-K program in 1997 named Bright Beginnings, then expanding to community-based child care sites, and continuously evolving to better serve children and families by implementing lessons learned along the way. Bright Beginnings is a literacy-focused public pre-K program for four-year-olds designed to help close the reading and learning gaps between literacy-disadvantaged and literacy-advantaged children.

Initiated in 1996, the CMS superintendent and CMS Board of Education assessed the learning environment, achievement data, and demographic characteristics of the district's schools and developed a broad education vision, inclusive of public pre-k, that was shared by school leadership, staff, and the community. The goal was to develop a child-centered, literacy-rich curriculum and learning environment that would build a strong foundation of basic literacy skills needed for success in kindergarten. After a year of intensive work, Bright Beginnings was launched in school year 1997 and has been sustained and refined by CMS since that time.

In 2001, North Carolina began providing state-funded pre-kindergarten education, originally via the More at Four Pre-Kindergarten Program, now through the NC Pre-Kindergarten (NC Pre-K) Program.

According to NIEER (*The State of Preschool 2015*): "The NC Pre-K Program delivers a high-quality educational experience during the year prior to kindergarten entry, enrolling at-risk 4-year-olds from low-income families who have not participated in other early childhood programs." At-risk children are identified based on a number of factors, which include having a developmental delay or identified disability, coming from a family with an income at or below 75% of the state median income, having a chronic health condition, or having limited English proficiency. Children whose parents are active duty military personnel are automatically eligible for the program.

During the 2011-2012 school year, administrative control of the program was relocated from the Department of Public Instruction to the Department of Health and Human Services' Division of Child Development and Early Education and the program was renamed the NC Pre-Kindergarten Program. It is required to meet the same high-quality program standards that were in place for the More at Four Pre-Kindergarten Program.

NC Pre-K classrooms are available statewide in private licensed child-care centers and public schools. All programs must earn high-quality ratings under the state child-care licensing system to qualify for participation in pre-K and the state's subsidy system. Program standards for NC Pre-K must be met in both public and nonpublic settings. NC Pre-K is evaluated annually for process quality, program impact, and child outcomes, by an independent external evaluator.”

In Mecklenburg County, Bright Beginnings and NC Pre-K classrooms use the same curriculum. When coupled with the identical requirements for teacher qualifications, class size, and staff-child ratios, the programs provide children with a consistent level of quality in the early learning experience. These two public pre-K programs, administered by CMS under different names and supported by different funding streams, are nearly identical in their programming and outcomes.

The primary goal of Charlotte Mecklenburg School's Pre-Kindergarten program is to provide comprehensive, evidenced based instruction that prepares children for success in kindergarten. Readiness for kindergarten embodies a certain set of pre-reading skills, as well as a set of behaviors and attitudes, approaches to learning, that are essential for success. Pre-K not only prepares children with the pre-literacy skills (alphabet identification and sounds, concepts of print, rhyme awareness and beginning sounds), but as importantly, supports students in acquiring the social, emotional, and cognitive readiness necessary for success. Pre-K is an important time to learn how to establish and maintain positive relationships with adults and peers, regulate emotions and behaviors, participate cooperatively and constructively in group situations, learn to attend and engage in learning, solve problems, persist and build flexibility and inventiveness in thinking.

Each Pre-K classroom is an active, literacy and oral language rich learning environment. The classroom is full of a wide variety of books and materials that are aligned with the curriculum and support the development of oral language and early literacy skills. Centers that promote exploration (i.e. dramatic play, writing, listening, sand and water, library, mathematics, science, art, manipulatives, blocks, music) are stocked with intentional learning activities and materials. Schedules reflect time used for both children- and teacher-directed activities (including centers), focused instruction to supports children's overall development with an emphasis on social and emotional learning, and cognitive and pre-literacy and language development.

Family-school partnerships are critical to children's outcomes. Therefore, Pre-K teachers make home visits to all families prior to children entering Pre-K. Fostering a positive relationship with parents results in active engagement (visits to the school for educational purposes, reading at least 100 books with their child during the school year and more).

The application process for Bright Beginnings and NC Pre-K is handled through CMS' Pre-K screening office. Eligibility requirements and priority placement preferences differ slightly (Bright Beginnings eligibility is based on educational risk and NC Pre-K eligibility is primarily based on household income). The majority of Mecklenburg County public pre-K students screen eligible for both programs.

In school year 2016, 3,856 children participated in Mecklenburg County Public Pre-K Programs (inclusive of Bright Beginnings and NC Pre-K). Bright Beginnings classrooms are exclusively located in CMS schools. NC Pre-K classrooms are located primarily (but not exclusively) in

community-based, five-star licensed child care centers that adhere to Bright Beginnings standards and receive implementation support and monitoring from CMS. In CMS' 52 elementary schools, 180 classrooms serve approximately 2,850 children, and in 23 child care centers, there are 56 NC Pre-K classrooms serving 1,006 children.

About the Intervention Model Proposed

For the purposes of this proposal, we will refer to the model to be created through this funding opportunity as “Public Pre-K PFS in Mecklenburg County (PPKMC).” We believe we have a promising intervention model. Why? Because the County’s model includes all of the elements that have been extensively evaluated and widely agreed-upon as critical factors in effective pre-K programming. In *The State of Preschool 2015* published by the National Institute for Early Education Research (NIEER), North Carolina was noted as one of the few states that meets all ten benchmarks in the “quality standards checklist” for public pre-K programs.

Below is a summary of NC’s public pre-K requirements (also required in Mecklenburg County Pre-K) against NIEER’s established benchmarks for programs serving four-year-olds:

Quality Standard	NIEER Benchmark	North Carolina (Mecklenburg County) Requirement	Met?
Early learning standards	Comprehensive	Comprehensive	Yes
Teacher degree	BA	BA	Yes
Teacher specialized training	Specializing in Pre-K	NC B-K Lateral Entry License NC B-K Standard Professional I License NC B-K Standard Professional II License NC Preschool/Pre-K/K Add-on License	Yes
Assistant teacher degree	CDA or equivalent	CDA or AA in ECE	Yes
Teacher in-service	At least 15 hours/year	75 credit hours/5 year BK SPII Licensure cycle	Yes
Maximum class size	20 or lower	18	Yes
Staff-child ratio	1:10 or better	1:9	Yes
Screening, referral, and support services	Vision, hearing, health, and at least one support service	Vision; hearing; height/weight; blood pressure; immunizations; psychosocial/behavioral; dental; developmental; full physical exam; and support services	Yes
Meals	At least one/day	Lunch and either breakfast or snack	Yes
Monitoring	Site visits	Site visits and other monitoring	Yes

Consistent with Bright Beginnings and NC Pre-K classrooms, PPKMC classrooms will operate 6.5 hours daily for 180 days each year, with after-school options. Classrooms will have *no more*

than 18 students, a teacher with a BA/BS degree and birth to kindergarten certification, and a teacher assistant with at least an AA degree (preferably Credentials I and II). *Thus, the child-to-instructional staff ratio will be 9:1.* The classroom teacher and teacher assistant will operate as a team, with the teacher coordinating instructional and other responsibilities. Together, they will create a classroom environment that fosters literacy development and provides parents with examples of best practices, appropriate activities, and positive discipline techniques for their young children.

As CMS has successfully partnered with high quality licensed child care centers to deliver public pre-K using the Bright Beginnings model for 15 years and because CMS lacks sufficient space to accommodate 2,700 additional children, it is anticipated that PPKMC classrooms will be located primarily, but not exclusively, in five-star or high four-star-rated child care centers that apply to house PPKMC classrooms and are competitively selected and contracted to implement the Bright Beginnings model to fidelity. This is feasible across Mecklenburg County as 90% of licensed child care program spaces are at the 5- or 4- star level and there is excess capacity to serve four-year-olds.

Screening Tool - The *Brigance Early Childhood Screen* is used within Bright Beginnings to assess a prospective student's educational risk. This tool is one of Title I's and NC Pre-K's approved screening instruments. Most students in the Pre-K program are non-disabled and do not require special services (i.e. IEP or 504 plan). This screening tool will be used to identify areas of risk and identify educational needs, not as a selection factor.

A typically developing 4-year-old *usually* demonstrates the following:

- Communication: Asks questions, has back & forth conversations (in native language)
- Motor: Uses buttons, draws a circle, uses a tricycle with pedals
- Adaptive Behavior: Toilet-trained, dresses self, puts toys away
- Social: Plays cooperatively w/peers, engages in pretend play
- Cognitive: Completes simple puzzles, matches colors

A few common reasons for Pre-K students having skill deficits include:

- Limited exposure to developmentally appropriate activities and experiences
- Lack of behavioral boundaries and instruction
- Low opportunities for learning English

Curriculum - When Bright Beginnings began in Mecklenburg, CMS authored, pioneered and implemented a curriculum entitled *Bright Beginnings*. Since that time, CMS contributed to and collaborated with Judy Schickedanz (Professor of Education at Boston University) and David Dickinson (Professor at Peabody College of Education at Vanderbilt University) on the development of a successor curriculum, *Opening the World of Learning (OWL™)* which is now distributed by Pearson Learning, used throughout CMS and Mecklenburg's NC Pre-K classrooms, and will be used in PPKMC classrooms.

This comprehensive, research-based early literacy curriculum covers all domains of early learning and seamlessly weaves solid content that captures children's natural curiosity about the world into an activity-centered day. OWL™ is based on thorough knowledge of the research on early language and literacy development and research on social and emotional development. It systematically builds those skills identified as being of critical importance using methods found by research and augmented by “the wisdom of practice” to support development. The authors' goal was to create a comprehensive, unit-based and integrated curriculum that provides the level of support that preschool teachers deserve.

The instructional principles that guided the development of OWL™ are detailed by Pearson as follows:

- **Comprehensive Approach** -- The most effective way to build any single component of children's emerging skills is by addressing all components in an integrated fashion. OWL™ targets all key early literacy abilities and does so in activities that draw upon multiple capacities at the same time.
- **Focus on Language** -- OWL™ places the highest possible priority on supporting children's language learning. The program systematically supports vocabulary learning by embedding attention to vocabulary in the context of meaningful extended discourse such as book reading and teacher-child conversations. Children's vocabulary learning needs are addressed by specifying key vocabulary for each book and highlighting words for use during teacher-led and child-initiated activities. Children hear words repeatedly in the context of complex language, thus as they are learning words they are building syntactic and discourse skills.
- **Attention to Phonological Awareness** -- There can be no question that all children must be helped to attend to the sounds of language. Phonological awareness is supported through exposure-based approaches such as singing and reading predictable books, through teacher-led games designed to help children attend to the sounds of language, and by encouraging child-initiated activity such as writing.
- **Learning About Letters** -- Letters are tools that allow children to begin to unlock the mysteries of writing. OWL™ includes teacher-led games and child-initiated activities that allow children time to experiment with letters as they learn the features that distinguish one letter from the next. Through repeated games and activities, children will gain skill identifying letters by their shape and to quickly associate letters with their names.
- **Acquiring Social Skills** -- OWL™ helps children build skills regulating emotions and relating to others by providing explicit instruction related to these issues. More importantly, discussion of social and emotional issues are woven into discussions of books and conversations about on-going classroom events. Also, children are repeatedly provided group activities designed to hold their interest and motivating child-initiated activities that they can do alone or with others.

- A Learning Community -- Possibly one of the most important enduring benefits of an effective preschool program is nurturing in children a desire to learn and a sense of competence as learners. OWL™ strives to help children become self-sustaining learners by helping them become conscious of words and interested in learning them, to find writing to be an exciting activity they use for their own purposes, to be drawn to books and eager to learn from a variety of different kinds of books.

OWL™ draws on the wealth of research on early literacy development that has been generated over the past quarter of a decade. It provides an instructional program that is comprehensive and balances child-initiated with teacher-directed activity as it systematically teaches children skills and concepts that are essential for long-term literacy success. The content of each unit is built around a carefully crafted daily routine within an activity-center day. Themes, skills, and concepts are developed through quality children's fiction and nonfiction trade books. The consistent format and features in each unit makes it easy for teachers to use and children to learn.

The OWL™ curriculum:

- Provides guidance for teachers with a variety of materials to implement six thematically organized units: Family, Friends, Wind and Water, The World of Color, Shadows and Reflections, and Things That Grow;
- Develops language and literacy skills through rich, integrated content in language and literacy, mathematics, science and social studies, the arts, physical development and social emotional development;
- Incorporates favorite children's books, songs, and poems; and
- Supports teachers in individualizing instruction.

The OWL™ curriculum scaffolds instruction and serves as a daily guide, ensuring that all components follow the scope and sequence and will be directly and routinely taught using a coherent instructional design.

Professional Development

Professional development within PPKMC will: be job-embedded; be designed to enhance child outcomes; engage program administrators, classroom teachers and literacy facilitators; and include training opportunities, classroom- and program-based technical assistance and coaching resources. All teachers and coaches receive ongoing professional development on topics such as:

- Child and adult learning theory, change management, group dynamics, emotional intelligence, and cultural proficiency
- Observation of instruction and providing teacher feedback
- Planning, modeling and debriefing lessons
- Facilitating meetings and presenting information (supportive interactions, crucial conversations, facilitative leadership)

- Exceptional communication
- General pedagogy, brain development, early childhood development, or specific strategies (e.g. higher-level questioning, authentic and meaningful interactions and conversations, appropriate interactions with children, lesson planning, strategies for working with English Language learners and students with disabilities and children with challenging behaviors, ECERS, and more).
- Cultural competency

Training include the following topics and course descriptions:

Pre-K Balanced Literacy: Creating Emergent Readers and Writers Designed for any Pre-k teachers who have completed Literacy Beginnings PD. Participants will investigate the Independent Reading, Supported Reading, Writing and Word Work blocks of the Balanced Literacy Framework and how they can be appropriately implemented in the Pre-K classroom.

Pre-K SEFEL (Social Emotional Foundations for Early Learning) Designed for Pre-k teachers to learn specific strategies around implementing Foundations and SEFEL (Social Emotional Foundations for Early Learning). Participants will learn strategies to develop relationships with students and families, teach emotional literacy, help students learn to problem solve, develop friendships and self-regulate emotions, implement effective strategies around schedules and routines.

Pre-K Foundations Module 8: Promoting Emotional Literacy and Empathy It is important that young children build emotional literacy and empathy skills at home and at school. This session will focus on instructional practices that help children recognize and appropriately respond to their feelings and the actions and feelings of others. Participants will: 1) Learn the importance of using data (TS GOLD) to support children in developing emotional literacy and empathy 2) Will be able to articulate the relationship between targeted instructional practices, NC Foundations for Early Learning and Development, and the NC Professional Teaching Standards.

Pre-K Literacy Beginnings Using the text “Literacy Beginnings” by Fountas and Pinnell, we will show participants how to tap into children's curiosity to introduce them to the world of literacy. We will cover such topics as: 1) Promoting constructive learning through inquiry; 2) Using powerful and playful ways to guide children to learn about letters, sounds and words; 3) Recognizing the language and literacy behaviors and understandings that are appropriate goals for preschoolers; and 4) Supporting emergent readers and writers with a variety of activities.

Pre-K STEM Participants will become better equipped to implement Science, Technology, Engineering, and Math skills into the Pre-K classroom

Pre-K Foundations Module 9: Recognizing and Controlling Anger and Impulses Participants will: 1) Discuss the possible long term effects of unresolved anger and lack of impulse control in the lives of young children; 2) Talk about some ways to help young children recognize and label anger in themselves and others; 3) Share strategies for teaching children how

to control their anger; 4) Discuss how to help children understand appropriate ways to express anger; and 5) Share strategies for helping children develop practice and impulse control.

Pre-K TS Gold Interrater Reliability Participants will take the online Gold Reliability Test to become a reliable rater with the Teaching Strategies Gold Platform.

Pre-K SIOP: Structured Instruction Observation Protocol This workshop is devoted to helping participants become familiar with Second Language Acquisition and the SIOP Model; providing opportunities to reflect on and incorporate sheltered instruction principles into lessons and academic language development activities. The workshops will include demonstration and explanation, analysis of video teaching sequences, small group learning tasks, and the development of academic Literacy alignment plans. Participants will learn how the SIOP model supports all Pre-k content through reading, writing, speaking and listening as they shift towards becoming teachers of academic literacy.

Opening the World of Learning (OWL) Curriculum Training This training will give participants an overview of the OWL Curriculum. Participants will also learn about the All About Me Curriculum and the First 12 Days. Teachers new to Pre-K but not new to CMS should participate in this training.

NC Foundations for Early Learning and Development: Modules 1-7 Participants will learn about the 7 modules in the North Carolina Foundations for Early Learning and Development.

Teaching Strategies GOLD™ Teaching Strategies GOLD™ is a child assessment tool available to teachers that is user friendly and comprehensive. Teachers will increase the effectiveness of their assessments while having more time to interact with children.

Developmentally Appropriate Writing in Pre-K What is writing in pre-k? This professional learning opportunity will explore the importance of fine motor skills and oral language development in Pre-k and how it relates to writing. The differences between writing and handwriting in pre-k will also be covered.

Each classroom teacher will receive instructional coaching supports from a skilled literacy/early childhood development coach (ratio of coaches to classrooms is currently one coach to fifteen classrooms). PPKMC will strive to reduce the number of classroom teachers assigned to each coach for improved effectiveness. Additionally, PPKMC will enhance the supports that wrap around pre-k children, their families and teachers by ensuring nursing, social work and family support staff are assigned to each classroom and site.

Child Assessment

Child assessment in PPKMC will utilize the Peabody Picture Vocabulary Test, Fourth Edition (PPVT-4), Devereux Early Childhood Assessment (DECA™) and Teaching Strategies GOLD™.

Peabody Picture Vocabulary Test, Fourth Edition (PPVT-4) is a norm-referenced, wide-range instrument for measuring the receptive (hearing) vocabulary of children and adults. Enlarged and colorized, this PPVT edition is available in two parallel forms that are administered individually.

Each form contains training items and 228 test items, each consisting of four full-color pictures as response options on a page. For each item, the examiner says a word, and the examinee responds by selecting the picture that best illustrates that word's meaning.

The PPVT-4 scale measures understanding of the spoken word in standard American English and thus assesses vocabulary acquisition. It has the following uses:

- Measures response to vocabulary instruction
- Aids in the diagnosis of reading difficulties and in designing instructional interventions
- Helps to establish rapport and reduce tension related to the testing environment
- Contributes to assessment of preschool-age children
- Screens for verbal development
- Helps in the detection of language impairments across the age range
- Aids in measuring language development among nonreaders and people with written-language difficulties
- Measures linguistic potential
- Can be used with individuals who have autism/withdrawal or who display symptoms of psychosis
- Can be used with individuals with cerebral palsy or other major physical disabilities
- Affords individuals who perform poorly on group tests to demonstrate their ability when administered the test individually
- Can be used with individuals who have moderate visual disabilities, including those with visual-perceptual problems or color blindness
- Can be used variously in commercial, industrial, or rehabilitation environments (i.e., for the selection of individuals for jobs that require good listening comprehension of standard American English)
- Can be used for diverse research purposes
- Screens for the receptive vocabulary knowledge of individuals whose primary language is not English

PPVT-4 content covers a range of receptive vocabulary levels. The items broadly sample words that represent 20 content areas (e.g., actions, vegetables, tools) and parts of speech (nouns, verbs, or attributes) across all levels of difficulty. CMS has established a goal for 90% of its pre-k students to meet high growth on the PPVT-4 which means that the Growth Scale Value must be greater than eight points.

Deveraux Early Childhood Assessment - The Devereux Early Childhood Assessment Preschool Program, 2nd Edition (DECA™), is a strength-based assessment and planning system is designed to promote resilience in children ages 3 through 5. The DECA™ is a nationally normed assessment of within-child protective factors in preschool children aged two to five.

The DECA™ is an easy-to-use assessment system with a 10-minute administration time that:

- Evaluates the effectiveness of individual child and program-wide interventions.
- Provides developmentally appropriate strategies to foster resilience. Effectively screens for emotional and behavioral concerns.
- Emphasizes a team approach among professional and family members.
- Meets programs' varying needs by allowing for flexible implementation.
- Meets Head Start and IDEA requirements for strength-based assessment as well as APA and NAEYC assessment guidelines.

Based on the belief that the primary value of assessment is to guide effective services for children, the DECA™ was developed over a two-year period (1996-98) as part of a comprehensive program to foster children's healthy social and emotional development of children. Completed by parents, family caregivers or early childhood professionals (preschool teachers and child care providers), the DECA™ evaluates the frequency of 27 positive behaviors (strengths) exhibited by preschoolers. Typical items include "chooses to do tasks that are challenging for him/her," "shows patience," and "asks adults to play with or read to her/him." These items were derived from the childhood resilience literature and through focus groups conducted with parents and early childhood professionals. The DECA™ also contains a 10-item behavioral concerns screener.

The three primary purposes of the DECA™ are to:

- Identify children who are low on the protective factors so that targeted classroom and home-based strategies can be implemented leading to the strengthening of these abilities;
- Generate classroom profiles indicating the relative strengths of all children so that classroom design and instructional strategies can build upon these strengths to facilitate the healthy social and emotional growth of all children; and
- Screen for children who may be exhibiting behavioral concerns so that these can be addressed before they become entrenched and possibly develop into behavioral disorders.

Teaching Strategies GOLD™ - Last year, CMS began using Teaching Strategies GOLD™ (TS GOLD™), an assessment tool for teachers that is based on the latest research, proven to be valid and reliable and is fully aligned with the Common Core State Standards and NC's early learning guidelines. Per Teaching Strategies' literature, TS GOLD™:

- is grounded in 38 objectives that guide teachers throughout the assessment cycle. The objectives are organized into 10 areas of development and learning, including broad developmental areas, content areas, and English language acquisition. Many of the objectives also include dimensions that guide teachers' thinking about various aspects of that objective, and help clarify what the objective addresses.
- was created following an extensive, literature-based research review of some of the most recent works in the field of early childhood education: the Child Trends School Readiness Predictors Research (2006), the work of the National Early Literacy Panel (2009), the Pathways Mapping Initiative (2007), and many individual research studies describing

predictors of school success. A recently released technical report based on this extensive research and conducted by The Center for Educational Measurement and Evaluation (CEME) concludes that the Teaching Strategies GOLD assessment system is highly valid and reliable.

- includes a tenth area of development and learning on English- language acquisition, developed by national expert Dr. Patton Tabors, with two dedicated objectives that measure children's receptive and expressive language skills. Additionally, Teaching Strategies GOLD offers Spanish language and literacy objectives to help teachers scaffold children's learning in these areas. These objectives are similar to the English language and literacy objectives, but they have been adapted to reflect patterns of development unique to Spanish language and literacy.
- enables teachers to assess dual-language learners progress in Spanish oral language and literacy, since it allows children to show what they know and can do in certain areas of development and learning without the use of English (for example, counting in any language). Finally, TS GOLD™ includes a Home Language Survey that will help teachers determine which children qualify as English- language learners.
- has a universal design that enables it to be used with all children, including those with disabilities. The tool shows typical progressions for each objective through the use of color-coded age bands that are tied to children's ages; because development is uneven and overlapping, the color-coded bands allow teachers to account for natural variations in children's development and learning.
- contains "in-between" steps in each progression to allow for emerging skills or to indicate if a child needs support to accomplish a skill or behavior, making it easier to accurately assess all children, including those with disabilities or special needs. In some circumstances, however, such as a child with a severe disability, other more specific diagnostic and prescriptive tools may be needed.
- offers, through its on-line option even more support for assessment of children with disabilities: it is fully aligned with OSEP (Office of Special Education Programs) outcomes. It automatically converts the information entered from TS GOLD™ to the seven- point scale on the Child Outcomes Summary Form (COSF), enabling administrators to generate OSEP-mandated reports. Plus, for children who have IEPs, TS GOLD™ online will automatically provide teachers with additional dimensions related to self-care, including feeding, toileting, dressing, and safety.

Impact on Improving Student Outcomes

Over the past two decades, evaluation of Mecklenburg County's pre-K programs, specifically Bright Beginnings, has not been as thorough or as consistent as we would like, but this is not uncommon in the field of early childhood education. Still, there are several independent evaluations that show Mecklenburg County has a promising public pre-K model. The results of these evaluations of Mecklenburg County Public Pre-K (inclusive of Bright Beginnings, NC Pre-K, and its precursor, More At Four) are outlined below. (Note that while the program still bears the name Bright Beginnings, it is significantly different from other programs in the country using the original Bright Beginnings curriculum.)

We begin with a description of the evaluation by University of North Carolina at Charlotte (UNCC), which highlights some promising elements – and others not so promising, which the County is working to address as the program evolves. UNCC has a current ED IES grant to further develop and test approaches to strengthening the model, based on evaluation findings.

Evaluation of Bright Beginnings: Process and Outcomes (Cook and Kilmer, November 2014) found the following outcomes for children who had participated in BB:

- **Children make modest gains in verbal ability**, but these gains fade over time in elementary school. Children are screened and selected into BB because they score below their peers on cognitive, developmental, and/or pre-academic functioning; as a result, they begin the year with low levels of verbal skills. By the end of the year, they have made modest to moderate improvements in their verbal ability, yet they still score lower than their peers at the end of the year. When they get to kindergarten, children from BB largely score at “benchmark” or “proficiency” levels on standardized assessments of verbal ability. However, their performance fades by the first grade, and when followed up to the 3rd and 4th grades, they lag behind their peers on End of Grade exams.
- **Bright Beginnings students who go into higher performing elementary schools do substantially better on 3rd grade EOGs than those going into lower performing schools.** Gains in verbal skills during the pre-kindergarten year, with a “fade out” in performance over the next few years, is a very common finding among early childhood education programs. However, Bright Beginnings children who attend better elementary schools (schools with higher average EOG scores) perform markedly better on their 3rd grade EOGs, compared to their Bright Beginnings peers in poorer functioning schools. This points to the need for continued strong academic programs for these children beyond the pre-kindergarten year.
- **Students show substantial gains in social-emotional development, which predicts later success more than academic gains.** In the 2013-14 year, teachers assessed the social-emotional development of children early and later in the year. Substantial gains were made in Bright Beginnings’ children’s ability to interact successfully with their peers and with adults over the year. While Bright Beginnings children begin the year lower than most children (on nationally-normed measures), they end the year above average on those measures. This is particularly important, because research shows that, despite the “fade out” in verbal skills, children in early childhood intervention programs do better as adults in several ways (e.g., graduate from high school, are employed, stay out of prison). These differences as adults appear to be due to gains in social-emotional functioning in their pre-k year.
- **Students show substantially greater social-emotional development when provided higher quality instruction.** Classrooms vary substantially in the quality of implementation of the program curriculum. Students in “high performing” classrooms showed greater gains in their social-emotional development than those in “low performing” classrooms. In addition, classroom functioning tended to deteriorate over time. This indicates a need for stronger coaching of teachers to ensure that all children have a high quality classroom

experience. In other communities, strong coaching has been found to lead to improvements in teaching.

From Birth to School: Early Childhood Initiatives and Third-Grade Outcomes in North Carolina (Ladd, Muschkin, and Dodge, November 2013) found the following for children in *More at Four* (now known as NC Pre-K):

- **Children who participated in *More at Four* performed better on third grade tests** than their counterparts who were born too early to benefit from the program or who experienced lower levels of state funding.
- **The effects on math and reading test scores are quite large** and are equivalent to the effects of about two to four months of instruction in third grade. Moreover, the benefits were larger for children from disadvantaged families. This extra achievement is averaged over all 3rd graders born in the county where the program was offered

Impact of North Carolina's Early Childhood Initiatives on Special Education Placements in Third Grade (Muschkin, Ladd, Dodge, February 2015) found the following regarding More At Four students' placement in special education in third grade

- **At 2009 funding levels, MAF reduces special education placements by 32%.** Furthermore, the authors examined programmatic effects on placement for each disability category and found evidence of effects on the preventable categories of specific learning disability, educable mental handicap, and other health-impaired, but not the less malleable categories of physical disability and speech language-impaired.

Children's Outcomes & Program Quality in the NC Pre-K Program – 2012-13 Statewide Evaluation (Peisner-Feinberg et al., Feb. 2014) found the following in a review of NC Pre-K:

- **Children exhibited significant growth during NC Pre-K across all learning domains:** language and literacy skills (receptive vocabulary, expressive vocabulary, letter-word identification, phonological awareness); math skills (math problem-solving, counting); general knowledge (basic self-knowledge); and behavior skills (social skills). Most of these were standardized measures, so that changes indicated that children progressed at an even greater rate during their participation in NC Pre-K than expected for normal developmental growth. This pattern of growth has been consistent over time, based on comparisons with three previous cohorts of children who attended the pre-k program.
- **Children with lower levels of English proficiency made greater gains than their peers** for some skills and made similar gains in others. These findings suggest that while participation in NC Pre-K is beneficial for all children, it may be especially beneficial for these children in some areas.

- Similarly to the full sample, **children in the dual language learner (DLL) subsample exhibited significant growth for all skills measured in English** during pre-k and for most skills measured in Spanish. There were no differences by level of language proficiency, both for skills measured in English and in Spanish. DLLs in classrooms with better quality language and literacy environments made greater gains in language and literacy skills in English during NC Pre-K; in contrast, there were no clear patterns for other skills measured in English or for skills measured in Spanish.

Goals, Objectives and Outcomes Demonstrating Success for Students

In the 2015-2016 school year, student proficiency goals were set in Literacy, Language and Math. End of year results showed growth from quarter to quarter and overall, the cohort met and in several cases, exceeded program goals.

As inter-rater reliability is critical to the use of evaluation instruments, and CMS' use of TS GOLD™ is new, all teachers receive training on the tool and are tested for reliability during the school year to ensure that children's growth is accurately measured. Instructional decisions made based on these results must match the needs of students.

Students Meeting or Exceeding Expectations Teaching Strategies Gold 15-16

Domain	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Annual Goal
Social Emotional	31.7%	70.6%	92.2%	96.2%	N/A
Physical	35.8%	67.9%	92.2%	96.9%	N/A
Language	17.7%	49.2%	81.6%	91.4%	85%
Cognitive	19%	61.2%	90.4%	95.6%	N/A
Literacy	24.5%	85.8%	97%	97.9%	88%
Math	4.1%	37.2%	79.7%	92.1%	85%

Appropriateness of PPKMC for the Needs of Target Population

Public pre-K in Mecklenburg County has a long history of supporting the educational foundation that four-year-olds need.

North Carolina's Early Learning Standards, *Foundations for Early Learning and Development (Foundations)*, define the skills and abilities early educators should support as children develop prior to kindergarten. Widely held expectations describe developmental indicators and goals for infants, toddlers and preschoolers. The goals are all critically important to children's success

later in school. When revising and updating the standards in 2014, the team of state leaders carefully studied North Carolina's Standard Course of Study (Common Core State Standards and NC's Essential Standards), focusing on the standards for kindergarten children. As a result, *Foundations* content is both aligned with the expectations for what kindergarten children learn and is also appropriate for pre-K children. The OWL curriculum is aligned with *Foundations*, as well as the Common Core.

Inclusion of Exceptional Children (Children With Disabilities) and McKinney-Vento (Homeless) Children

Inclusive practices have been implemented in CMS Pre-K classrooms beginning in 2004-2005 and will be implemented in PPKMC. Only a small percentage (4%) of children with disabilities (as defined by IDEA) who are age-eligible participate in separate (not mainstreamed) classrooms or schools. All other children with disabilities who wish to participate in public pre-K in Mecklenburg County are enrolled in mainstream Bright Beginnings or NC Pre-K classes. As of 9/8/16, just over 500 children in Mecklenburg's current pre-k classrooms have IEPs. PPKMC classrooms will serve children with disabilities, but reduction in special education placements will not be a tracked outcome for success payment purposes.

Children identified as homeless, as defined by the *McKinney-Vento Homeless Assistance Act*, face additional challenges with factors that contribute to success in school, including enrollment and attendance. Homeless children often exhibit developmental delays as result of the impact of poverty and unstable (often unsafe) living conditions. In compliance with *McKinney-Homeless Assistance Act* requirements, CMS ensures that the cognitive, physical and social-emotional developmental needs of these vulnerable children are met in its public pre-K program.

Preschool Assessment Teams conduct developmental screenings and assessments on young children to assist in determining eligibility for special education services. CMS utilizes the **Transdisciplinary Play Based Assessment, Second Edition** (TPBA-2) and the **Autism Diagnostic Observation Schedule, Second Edition** (ADOS-2).

TPBA-2 is an authentic and developmentally appropriate method for a team of professionals and family members to evaluate children age birth to six, in the domains of cognitive, communication, sensorimotor, social-emotional and conceptual development. This evaluation approach, guided by the child's interest, is based on observation and the use of developmental toys and materials in a play setting. TPBA teams use developmental guidelines and age referencing to interpret observations and determine age levels that show the child's strengths, emerging skills and any developmental concerns. In addition to parents, the team may include a school psychologist, educational diagnostician, speech-language pathologist, occupational or physical therapist and others as appropriate.

ADOS-2 is a semi-structured, standardized assessment of communication, social interaction, play, and restricted and repetitive behaviors. It presents various activities that elicit behaviors directly related to a diagnosis of ASD. Observing and coding these behaviors, provides information that informs diagnosis, treatment planning, and educational placement.

Program Enhancements

As we look to expand public pre-K to meet community need, PPKMC will seek to incorporate program elements that could be strengthened and better resourced to further enhance our existing high-quality model. We will use the Feasibility Study to identify which of the below-listed elements (which are currently under consideration) have the strongest evidence base and would be most impactful and worth implementing:

- Instruction supports and enhanced staff resources for kindergarten through third grade classrooms serving PPKMC graduates.
- Improved alignment between PPKMC and developmentally appropriate kindergarten instructional practices
- Social-emotional behavioral specialists to develop teacher skills in serving children with challenging behaviors per the *Pyramid Model* of the Center for Social Emotional Foundations of Learning (CSEFEL).
- Family engagement specialists for each PPKMC classroom to strengthen family involvement in their children’s education and connect families to one another and community resources.

We will review these and other options with subject matter experts from the Urban Institute (D.C.), Frank Porter Graham Child Development Institute (UNC-Chapel Hill), UNC-Charlotte and Third Sector Capital Partners, Inc. to determine what program enhancements (based on the research literature) would be the best fit for the County and would be most likely to improve educational outcomes for our target population.

Existing Funding Resources and Appropriateness of PFS Financing Strategy

In 2016, financial support for nearly 4,000 children in public pre-k in Mecklenburg County program is received from multiple funding sources:

Funding Source	Dollar Amount	Percent of Total
Title I	██████████	██████
Mecklenburg County Government	██████████	██████
NC Pre-K	██████████	██████
Smart Start of Mecklenburg County	\$██████████	██████
TOTAL	██████████	██████

The estimated annual cost to replicate the current Bright Beginnings model in community-based child care center settings for 2,700 unserved, high-need children is approximately ██████████ based on current rates (██████████/child served) exclusive of administrative, professional development, and classroom support personnel (e.g. social workers, nurses, family engagement specialists, and coaches) and start-up costs. It is estimated that administrative, professional development and classroom support personnel and related costs will be ██████████ annually. One hundred and fifty additional classrooms would be needed and classroom start-up costs (equipment, furnishing and materials) average ██████████/classroom for an additional one-time-only cost of ██████████

PFS would be an ideal contracting and financing strategy for the County to expand its public pre-K program to meet the needs of unserved four-year-olds for several reasons:

- The County has a strong Preschool PFS Partnership that includes core stakeholders from every key constituency: government, school district, providers, advocates, and researchers/evaluators.
- Common purpose and strategic direction exist in County leadership with respect to early childhood education.
- Several studies by top evaluators have been commissioned to objectively disclose where the County's public pre-K program is achieving its goals and the challenges it faces.
- A PFS initiative would help us to attract outside funding and also secure additional public funding to expand the program.
- The initiative could also help us to make the case for investing in program enhancements in not only our Pre-K program, but also our student supports in early elementary school.

Based on the commitment of the County and its partners, the County's priority for continuously improved program evaluation and delivery, the need for additional funds to serve more children, and the above estimated forecasts, we believe that PFS is an ideal financing and contracting strategy to expand Mecklenburg County public pre-K to serve more at-risk children.

Potential Outcome Measures

Potential Outcome Measures being considered by the Partnership include:

- High kindergarten readiness scores
- High literacy scores, normally assessed in third grade
- Ability to perform successfully in school with independence and interdependence, based on enhanced executive functioning and critical cognitive ability
- Reduced grade retention
- Improved attendance
- Reduced suspensions and other disciplinary actions
- CMS Early Warning Indicators (EWI) system rating
 - Identifies students in grades 6 through 12 who may be at risk of not graduating on-time
 - Will be extended to K-5 students based on analysis using academic, attendance, and behavioral factors, such as: (1) end-of-grade (EOG) assessments; (2) percentage of days attended; and (3) number of days suspended
 - Uses a predicted probability score range from 1 to 100 for students
 - We plan to use the feasibility study to further test the validity of the EWI as a predictor, and thus a good proxy measure, of future school success.

In addition to these primary measures, the Partnership is also interested in exploring longer-term impacts on life success. While these would probably not be linked to success payments, they could be tracked as part of a rigorous, longer-term evaluation and later used to better estimate the longer-term benefits of early education. These would include:

- Avoidance of negative involvement with the juvenile justice system
- Increased rates of high school graduation and level of school performance
- Post-graduation status (e.g., college, workforce participation, skills training)
- Others to be suggested by our Evaluation Advisors based on their national research experience

Each of the above Outcome Measures has different characteristics with respect to:

- Period over which it is measured
- Impact on the child and family
- Sensitivity
- Ease of measurement
- “Monetizability” to one or more parties (child, family, community, society)

The Partnership will spend time and resources carefully considering the optimal types and number of Outcome Measures to be assessed in the feasibility study. Our goals will be to balance the ability to capture all relevant outcome impacts, with a realistic perspective on not over-complicating the evaluation process or making the PFS process less comprehensible to all stakeholders.

QUALITY OF THE PRESCHOOL PARTNERSHIP

The creation and advancement of early care and education in Mecklenburg County has been a story of continuous partnership between public and private sectors as detailed below:

Child Care Resources Inc.

After an extensive study of how Mecklenburg County could improve and expand child care services for all families, but particularly for the families of low-income children, Mecklenburg County’s Board of County Commissioners and the United Way called for and funded the creation in 1982 of Child Care Resources Inc. to:

- Help families across the economic spectrum find, evaluate and afford child care;
- Administer Mecklenburg County’s child care subsidy program;
- Build the supply and improve the quality of child care and other early learning programs;
- Provide the early care and education workforce with training and technical assistance to improve practitioner knowledge, skills and instructional practices; and
- Advocate on behalf of young children and their families and the child care community.

The creation of CCRI was the county’s first privatization of the delivery of human services. Since its opening and to this day, CCRI has been a constant force for the improvement and expansion of high-quality early care and education across this region; a tireless advocate for systemic improvement through an array of supportive services for young children and their

families; and a key partner of Mecklenburg County government, administering Mecklenburg County's child care subsidy program that helps low-income working families afford high-quality early learning experiences for their young children. Last year, under contract to Mecklenburg County, CCRI administered \$45 million in child care financial aid for the benefit of more than 9,500 children. It also led county-wide quality improvement initiatives that resulted in Mecklenburg County being the first urban county to have the majority of its child care spaces, programs and enrollment at the state's highest star rated licensing levels. In 2015, CCRI was awarded Mecklenburg County's first Early Head Start funding since the inception of this program more than twenty years ago. CCRI also issues payments to child care providers for NC Pre-K classrooms under contract to CMS.

Charlotte Mecklenburg Schools and Bright Beginnings

When Eric Smith was hired in 1996 as Charlotte-Mecklenburg School's superintendent, the creation of a public pre-k program was one of his top initial priorities. Smith shared this intent during his interviews for the position, arranged for educational and business leaders to travel to Norfolk, VA to learn more about the program he had created there, engaged the Chamber of Commerce's active support, and worked with early care and education advocates and service providers to plan for a new county-wide program for educationally disadvantaged children.

When issues of concern were voiced by the child care community surrounding the loss of four-year-olds children to the public schools and the potential economic impact of that loss on their services to younger children, CCRI and CMS worked closely together to address the issues and implement strategies that would reduce conflict and enhance the quality of services children receive, regardless of setting. This partnership led to the creation of a pilot in 2000 that partnered CMS and ten high performing child care centers in the delivery of Bright Beginnings classrooms. Funded by Smart Start of Mecklenburg County, the pilot proved that with consistent expectations and comparable resources, child care centers could successfully deliver Bright Beginnings.

More at Four and NC Pre-K

When NC's statewide pre-K program was first being developed, leadership from CMS and CCRI served on the Governor's Task Force to design the statewide model (initially named More at Four) and when implemented in Mecklenburg County, most of this program's classrooms were and continue to be in community-based child care. Moreover, when there was insufficient state funding to cover the full cost of program implementation statewide, CCRI raised [REDACTED] from the John S. and James L. Knight Foundation to enable Mecklenburg County to afford its first 600 More at Four child spaces. In later years, Mecklenburg County and Smart Start of Mecklenburg County have consistently significantly funded public pre-K for educationally and economically at-risk children.

In 2008, when economic conditions put Bright Beginnings at risk of reduction or elimination by the CMS Board, CCRI, and Council for Children's Rights co-led a successful public engagement campaign that ultimately helped save the program from potentially devastating budget cuts.

Since the creation of NC's statewide public pre-k program, the superintendent of schools and the local Smart Start Board Chair (or their designees) co-chair each county's NC Pre-K Advisory Committee which oversees local delivery of the state program. A wide array of community stakeholders serve on this committee including representatives from child care, higher education, developmental disabilities, Head Start, parents, CCRI and other child-serving organizations, etc.

Data Sharing

With respect to data and evaluation, there is also a strong history of partnership. When county government and local public and private sector service-providing agencies struggled to be able to layer data from varied sources to inform planning, policy and service development and refinement, the County Manager, Director of the Department of Social Services and the Chancellor of the University of North Carolina at Charlotte (UNCC) worked together to address the problem, ultimately creating The Institute for Social Capital, Inc (ISC) in 2004 (which became part of the UNC Charlotte Urban Institute in March 2012). Its mission is to increase the community's capacity for data-informed decision-making and support university research.

At ISC's core is a comprehensive set of administrative data gathered from governmental and nonprofit agencies in the region. By combining key data into one community database, ISC provides a valuable resource for understanding the outcomes for the most vulnerable members of our communities from a multi-agency context. Through its affiliation with UNCC and the UNC Charlotte Urban Institute, ISC also offers valuable analytical support to assist organizations in their research and data analyses efforts.

CMS has a long history of sharing data with city agencies, community partners, and academic researchers. The Research, Evaluation, and Analytics (REA) department within the Office of Accountability has developed a process to create data-sharing agreements and regularly reviews and amends them to appropriately align with approved projects and research/evaluation studies. CMS has an existing data sharing agreement with ISC, as does Mecklenburg County's Department of Social Services. Indeed, it is a community expectation that public and private sector agencies and organizations establish data sharing relationships, both through ISC and independently, to improve and enhance services and outcomes for children, families and our community.

Examples of Community Collaboration

Mecklenburg County has a rich history of collaboration across sectors, with leadership from local government, Foundation For The Carolinas (the local community foundation), United Way of Central Carolinas, the business community, and area philanthropists working together to advance the well-being of our community's children. Currently, two examples of such collaborations across the public and private sector – Charlotte-Mecklenburg Opportunity Task Force and Read Charlotte – have identified the importance of early learning as a top priority.

Charlotte-Mecklenburg Opportunity Task Force – The County Manager and the Chair of the Board of County Commissioners called for the creation of the Opportunity Task Force which is

housed at the Foundation for The Carolinas. The impetus for the creation of the Task Force was the previously mentioned Harvard University and University of California-Berkeley study that looked at the upward mobility for children living in large metropolitan areas. The report revealed that the Charlotte area ranked 50th out of the 50 largest US cities (and 97th of the 100 largest US cities). The Task Force is studying the factors that impact economic and social mobility and identifying strategies to address the significant disparities that exist in our County.

Lead supporting partners of the Task Force include Foundation For The Carolinas, Mecklenburg County, City of Charlotte, John M. Belk Endowment, the John S. and James L. Knight Foundation and the Z. Smith Reynolds Foundation. After more than a year of engagement, the Task Force is beginning to share its strategic priorities with the public. Expansion of access to high quality, affordable child care for children birth to five and universal access to public pre-K for four-year-olds was recently announced as its first call to action.

Read Charlotte - Read Charlotte is a collaborative, community-wide movement to double the percentage of 3rd grade students reading on grade level from 40% (in 2014) to 80% in 2025 – by starting at birth, working together and investing only in programs that work. Initially convened by the Belk Foundation, Read Charlotte is a donor collaborative that has identified four fundamental pillars for its work: 1) Talk with Me, Baby (which promotes early language development and has as its objective to provide parents and caregivers with knowledge and resources to infuse language development at birth and beyond); 2) Ready for School (which focuses on expanding quality child care and pre-K for children ages birth through four and has as its objective to ensure students start school developmentally on track and ready to learn); 3) Schoolhouse (which focusses on supporting K-3 teachers and classrooms and has as its objective to help students develop into proficient readers by the end of third grade through strong classroom instruction and appropriate supports) and 4) Summer Learning (which focuses on keeping K-3rd grade students reading during the summer months and has as its objective to ensure that elementary school students maintain school-year gains over the summer months). Both the Mecklenburg County Manager and the CMS Superintendent serve on Read Charlotte's Governing Board, which recently announced that its two anchor early childhood researched based community initiatives are Raising A Reader (locally administered by CCRI) and Reach Out and Read. Both of these initiatives seek to increase access to books and promote active reading between young children and the adults who nurture them.

Composition of the Partnership

The PFS PPKMC Partnership will include a variety of core stakeholders, including the County Manager, Charlotte-Mecklenburg Schools, Third Sector Capital Partners, Inc., Child Care Resources Inc., Drs. James R. Cook and Ryan P. Kilmer Professors of Psychology (Co-Directors, Community Psychology Research Lab, University of North Carolina at Charlotte), Ellen Peisner-Feinberg (Senior Scientist, Frank Porter Graham Child Development Institute, University of North Carolina at Chapel Hill) and Urban Institute (D.C.) subject matter experts.

The Partnership will formally organize itself and any subsidiary vehicles under the legal organization statutes and regulations of the State of North Carolina. Such organization will serve the purposes of appropriate operational and administrative governance, and holding assets

necessary for the legal dispensation of funds to provide program services, purchase supplies and physical property, compensate program staff and hire expert resources to assist in operate the PFS project. Further, the Partnership will establish rules of order for PFS project issue consideration and decision-making.

Other stakeholders will be added as needed to fully develop the County's PFS strategic plan for high quality preschool expansion. Such stakeholders will include private and institutional investors, community business leaders, and other community service organization leaders.

Each stakeholder will have a specific role and reason for serving with the Partnership, to be discussed and determined as the Partnership is formed with discussion among the aforementioned core stakeholders.

The above description relates to the Partnership during the pre-feasibility and feasibility study phases. The Partnership's composition may change following the completion of the feasibility phase to accommodate the different requirements of PFS project construction, implementation and ongoing management. Such changes in Partnership composition will be considered when appropriate.

Program sustainability following the wind-up of the project and the exit of project investors is critical to the assessed success of any PFS project. While Outcome Measures used during the project may be modified after project wind-up, Partnership consensus around the value of sustaining project gains will be used to determine whether the successful PFS programs are perpetuated and further expanded. To this point, the Partnership will include in its strategic plan proposed “evergreen” actions that engage stakeholders in ensuring that the successful PFS programs have a “life after PFS”. This may include changes in stakeholder roles, funding sources, success payment structure, and program elements.

Partner Roles

Roles will be formulated for each stakeholder in the Partnership. Due to the requirements of acting effectively as an integrated body, some roles may be shared among multiple stakeholders. Tentatively, roles will be defined as follows:

County Manager

- Partnership & Executive Committee Chair
- Representative for County as primary PFS ED grant and PFS end payer
- Leadership for development of PFS budget
- Leadership for convening direction for other payers
- Determination of all stakeholders and stakeholder roles
- Final approval of proposed Outcome Measures
- Intercession with critical sources of data (CMS, state agencies, etc.)

Charlotte-Mecklenburg Schools

- Superintendent will serve on Executive Committee
- Administrator of actual PPKMC educational program
- Contractor with child care programs for PPKMC classrooms

- Champion for maintenance of program quality
- Database maintenance and system linkages to create PFS datasets between preschool and K-12 data
- Co-leadership for development of budget
- Identification of proposed Outcome Measures for target population

CCRI

- Support County Manager with PPKMC feasibility study
- Engage with Community PPKMC feasibility planning stakeholders to advance initiative
- Engage and inform child care community about PPKMC feasibility study.
- Provide data regarding Mecklenburg County early care and education system as needed to inform feasibility study
- Provide leadership on child care/PPKMC program integration, professional development, coaching, technical assistance and behavior support services
- Expert resource for dataset development
- Key advisor on community needs and target population

Independent Evaluator – To be determined following award process

- Leadership on developing research design/methodology, data synthesis and technical analysis of proposed program for feasibility study to demonstrate PFS project is worthy of construction
- UNCC, led by Dr. Cook and Dr. Kilmer, has been serving in this role and they would serve as advisors during the feasibility process

Intermediary – Third Sector Capital Partners, Inc.

- Guidance in structuring feasibility study and supporting its completion
- Leadership in expert consulting on PFS concepts/requirements

Evaluation Advisors (under contract to Third Sector Capital Partners, Inc.) – Cook, Kilmer & Peisner-Feinberg, as well as Urban Institute

- Leadership for advising Partnership on program modification and expansion, emerging school outcomes, etc.
- Leadership for advising Partnership on tentative research design/methodology for Independent Evaluator to use for feasibility study
- Leadership in conducting school data analyses for the feasibility study

The roles of the partners are further elaborated in the next section, where we describe the governance structure for the feasibility study. Further, the Partnership is heartily supported by a diverse set of leaders. This serves as an indication of the broad and strong support for Pre-K expansion in the County. Please see Part 6 – Other Attachments Form for our letters of support.

QUALITY OF THE WORK PLAN

The Feasibility Study will be led by Third Sector Capital Partners, Inc. (Third Sector) and managed through a collaborative governance structure that solicits the guidance and input of key stakeholders. Third Sector's experience leading more than 30 feasibility studies, including 14 studies through a federal grant from the Social Innovation Fund, will ensure that work is completed on time and within budget. The work plan has been refined based on Third Sector's experience leading feasibility studies with governments across the US, as well as Third Sector's assessment of the PFS readiness of Mecklenburg County for this feasibility study. Third Sector has already been selected by Mecklenburg County. Consequently, there will be no delay in the startup of the feasibility study. Third Sector will subcontract with the evaluation advisors, and their costs were built into Third Sector's proposal to the County.

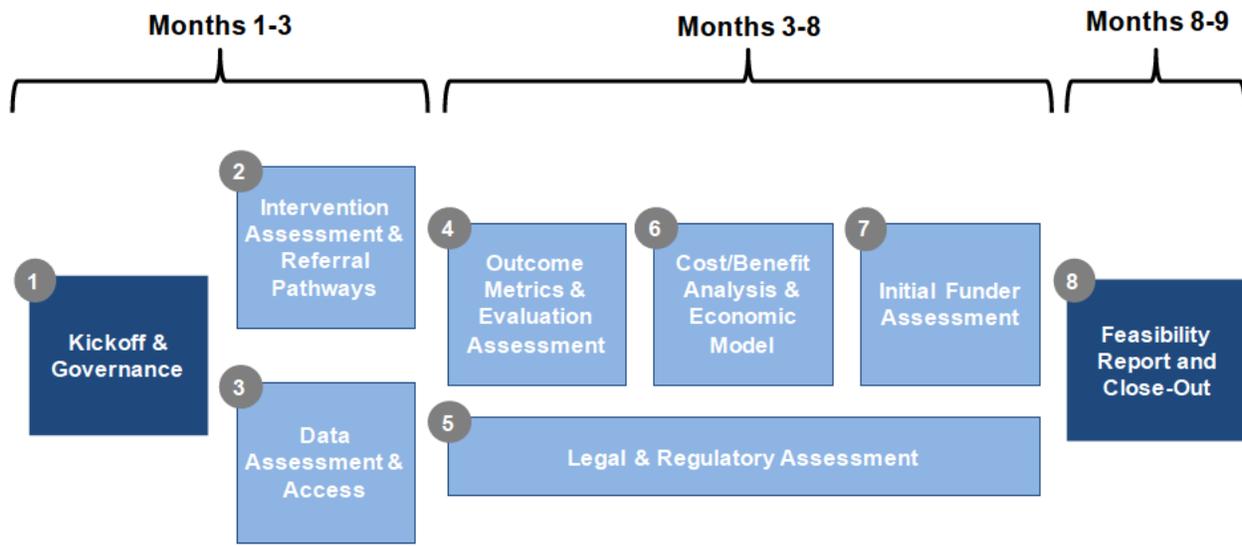
The final deliverable of the study is a Feasibility Report reviewing the viability of PFS and potential next steps or alternatives for implementing a PFS project through transaction structuring and agreement implementation. In addition to the final report, the study will produce a public brief summarizing the study's activities and recommendations.

Feasibility Study Work Streams (Tasks), Timelines and Milestones

Exhibit 1 below depicts the timeframes for each work stream in the Feasibility Study work plan. Key *milestones* will be reports to the Project Steering Group at the conclusion of each work stream, as well as the final report at the conclusion of the project. The organizational structure for the project describing the *responsibilities* of the key players is described in the following section.

The proposed feasibility study is estimated to be completed in nine months. The work plan includes contingencies and budgeting should the feasibility extend by one to three months. While nine months is a fairly aggressive timetable, we believe that it is very feasible in this case based on:

- Third Sector's recent experience with similar PFS feasibility studies
- Mecklenburg County's strong motivation to complete the study in time for its budget considerations and tax planning based on the Board's announced timetable for improving early education programs
- The County's commitment to providing a half-time project coordinator and half-time data analyst to facilitate the county's active support for the study requirements
- The existence of data sharing agreements between UNCC and CMS and the strong history of collaboration in conducting similar analyses of educational outcomes
- The County's existing capability to make multi-year commitments for outcome and other payments.

Exhibit 1: Feasibility Study Work Streams

The proposed feasibility study completion date will be dependent on access to key inputs and participation from stakeholders. The work plan includes contingencies and budgeting should the feasibility extend by 1-3 months. The feasibility study work plan will include:

- 1. Kickoff & Governance:** At the start of the study, the Steering Committee will meet to review the work plan, establish deadlines for key milestones, and address access to key inputs necessary to complete the feasibility. Working Groups will be formed and initial meeting dates set.
- 2. Intervention Assessment & Pathways:** The goal of this work stream is to determine how an intervention may best succeed in a PFS project construct, based on the existing program assets in the community and capacity to scale the intervention to address the identified needs. The study will also assess the cost structure of the program's expansion and/or enhancement and the barriers/challenges to that expansion and/or enhancement. Finally, the study will develop an integrated time-dependent service throughput model, which connects costs of the intervention with proposed impact on specific outcome(s) and savings/required success payments. These referral pathways identify and guide future work streams of the study, including identification of challenges/barriers for serving a particular target population and costs associate with the lack of intervention.
- 3. Data Assessment & Access:** The basis of any outcome-based contract is the data by which the outcome(s) are measured. This work stream determines the available data sources from service providers and state, local, and federal agencies, as needed to support a viable PFS contract. The study will evaluate the accessibility and quality of data and provide recommendations for how to address challenges/barriers.
- 4. Outcome Metrics & Evaluation Assessment:** PFS feasibility requires a clear definition of outcome(s) sought that are relevant to the target population and of interest to the potential end payer. Assessment of the outcome(s) requires concrete and measurable criteria for

inclusion in the target population, as well as consideration of the evidence base of the proposed preschool program. The goal of this assessment is to provide alignment between a particular program's core outcomes and the pricing/payment rates of a particular end payer. In addition, the study will include the development of a rigorous evaluation methodology to determine if outcome(s) have been achieved and that provides appropriate safeguards for the target population. If awarded, the National Head Start Association (NHSA) has offered the applicant the opportunity to leverage work done by its Investing in Impact Working Group (which is exploring best practices for outcomes measurement and data collection). This work would not use any federal dollars from the grant. Please see attached letter of support.

- 5. Legal & Regulatory Assessment:** Every location has a unique set of legal requirements that frame the project and may impact an end payer's ability to contract for outcomes. This work stream aims to identify the simplest path to a performance contract by assessing the opportunities and challenges/barriers for PFS projects given the specifics of the local legal and regulatory ecosystem. We evaluate the need for a Special Purpose Vehicle (separate contracting entity), or other legal entities to manage the PFS project.
- 6. Cost/Benefit Analysis & Economic Model:** The study will include a cost/benefit analysis that evaluates the estimated financial benefit and/or cost savings generated by the preschool program for the target population. This analysis will contribute to the creation of a shared economic model that will help determine the willingness and capacity of stakeholders to implement a PFS project.
- 7. Initial Funder Assessment:** A traditional project has multiple types of funders that contribute to the project. We work with local and national sources of philanthropy, project related investment (PRI) sources, and potential senior debt holders to ensure that each category of funder is available to the project and engaged early on in project development to test viability.
- 8. Feasibility Report and Close-Out:** At the conclusion of the study, a written report will detail the viability of PFS. If viable, the report will provide guidance for entering transaction structuring, including a description of the roles and responsibilities of each partner, an effective governance structure to facilitate implementation of PFS, description of the proposed rigorous evaluation plan, and description of how to overcome barriers/challenges to scaling the program to serve the target population. If not viable, the report will provide a description of why the project is not feasible and a discussion of potential alternatives to PFS that would contribute to the public good and goals of stakeholders. If awarded, NHSA has offered the applicant the opportunity work together with it and the Department of Education to leverage the expertise of NHSA in collecting and disseminating lessons learned from this feasibility study to its vast network across the country. This work would not use any federal dollars from the grant. Please see attached letter of support.

Exhibit 2 below provides a more detailed view of the work plan including lead and supporting responsibilities, based on the Project Governance structure described in the next section. We will use this chart as a tool to monitor progress throughout the study.

One of the most important issues driving the cadence with which work plan activities take place is the ability to establish data sharing agreements and processes, mine relevant data and create robust datasets for purposes of the technical analysis that must take place as part of the Feasibility Study. To this point, the County has established data sharing, storage and maintenance arrangements with the University of North Carolina at Charlotte’s (UNCC’s) Institute for Social Capital for the purpose of creating a comprehensive, longitudinal database, from which qualified researchers and service agencies can seek to obtain data to serve as the basis for research to enhance the effectiveness of human services.

This relationship with UNCC extends and strengthens the ability of researchers Drs. Cook and Kilmer to continue to study PPKMC as it evolves and expands to serve more at-risk children. The County also believes this partnership with UNCC will facilitate the Feasibility Study process and the building of the knowledge base for the follow-on PFS project.

Proposed Governance Structure, Engagement of Key Stakeholders and Responsibilities of Key Staff

The proposed governance/management structure for the PPKMC PFS initiative will be comprised of an Executive Committee (EC), a Steering Committee (SC) and workgroups (WG). The organizational chart below depicts the planned structure for project. This structure is designed to ensure that the key stakeholders are fully engaged and the project is sufficiently staffed to complete the required work streams as planned.

Exhibit 3: Governance Structure



Executive Committee - The Executive Committee will be led by Ms. Dena Diorio, County Manager, with Ms. Ann Clark, Superintendent of CMS. They will be ultimately responsible for the successful completion of the project and for making decisions on the recommendations for moving forward with a PFS effort. Both will assume leadership roles on the committee, receive briefings as key milestones are reached or obstacles are encountered, and ensure that the initiative has the necessary resources and authority to complete its charge.

The Executive Committee will also serve as a high level advisory group of key decision influencers and makers. It will include senior advisors to the County Manager and CMS Superintendent such as:

- Area Foundation Presidents
- United Way Executive Director
- Charlotte Executive Leadership Council (CEO Group)
- Top Bank Executives
- Philanthropic Leaders
- Leadership from NC Department of Public Instruction and Division of Child Development & Early Education and NC Partnership for Children
- Chancellor of University of NC at Charlotte

The State agency leaders invited to participate on the Executive Committee will serve two functions: helping to ensure that any issues of state policy and financing are understood locally and addressed in a timely fashion and providing an opportunity for state leaders to assess the possibilities of supporting replications of the Mecklenburg County effort in other parts of the state. Business and philanthropic top executives will be extremely important to building support for Pre-K expansion in Charlotte. They are expected to play an active advisory role will be key to ensuring financial and political support to implement the study recommendations.

Steering Committee - The Steering Committee, which will meet monthly, will be responsible for the oversight of the feasibility study and includes responsibility for project direction, resource allocation, project visioning, thought partnership with working groups, and risk management and troubleshooting. At the project kickoff, the Steering Committee will review and finalize the work plan. Throughout the project, the Steering Committee will receive status reports from working groups, each of which will be led by a member of the Steering Committee. The Assistant County Manager, CMS Pre-K Director and CCRI President, along with the working group leads, will guide the Steering Committee and will meet with the Third Sector team on at least a bi-weekly basis to review progress, address challenges that arise and ensure timely completion of tasks. The Project Coordinator will lead the staff work for this Committee, serving as the key day-to-day liaison between Third Sector, County, CMS and CCRI leadership, and the other key stakeholders participating on the Steering Committee.

Individuals who will be invited to serve on the Steering Committee include:

- Assistant County Manager
- CMS Pre-K Director
- Director of CMS Office of Accountability

- CMS Executive Director for Pre-K – 5 Learning and Teaching
- CMS Executive Director for English Language Learning
- CMS Executive Director for Title I
- CMS Assistant Superintendent, Programs for Exceptional Children
- UNCC Child Development Faculty
- CCRI President
- Smart Start Executive Director
- Read Charlotte Executive Director
- Charlotte Mecklenburg Library Early Childhood Services Director
- Cardinal Innovations Community Engagement
- Foundation for The Carolinas Child & Youth Program Officer
- NC Pre-K Committee Representative
- Head Start Representative
- Mecklenburg Child Care Association Representative
- Pre-K Parent Representatives
- Others

Note that although we do not intend to use special education reduction as a payable outcome measure, we do plan to include representation from the Bright Beginnings and K-12 special education programs on the Steering Committee and Working Group to ensure that needs and outcomes for special needs children are well addressed in the intervention model and the evaluation.

Day-to-day coordination and execution of the feasibility study will be managed by the Project Management Team (PMT). The PMT includes Third Sector staff and the Evaluation Advisors as well as the Project Coordinator, and will be responsible for leading individual working groups and work streams. The Evaluation Advisors will be guided by the Third Sector Project Lead. Three Working Groups are anticipated for this project. Each working group will be chaired by the most relevant Steering Committee member, with the bulk of the work being done by the staff teams from the County and Third Sector.

- **Data and Analysis Working Group.** This Group will most likely be chaired by the CMS Director of the Office of Accountability with active staff support from the Third Sector Project Lead and Analyst, the CMS data coordinator, and the Evaluation Advisors. This Group will be responsible for the work streams on data assessment and access, evaluation, and cost analysis and modeling.
- **Intervention and Outcomes.** This Group will be chaired by the Director of CMS Pre-K and will engage the other CMS Steering Committee members, as well as key representatives from community agencies that provide services to the target population, and other key stakeholders. They will be responsible for the intervention assessment and pathways work stream, including recommending modifications to the current program model, as well as the outcome measures to be used. They will be supported by the Third Sector staff as well as the Subject Matter Experts from UNCC, FPG, and the Urban Institute.

- **Funding and Contracting.** This Group may be co-chaired by an Assistant County Manager and a major Foundation leader. It will be responsible for the work streams on legal and regulatory assessment and funder assessment. It will be supported by three Third Sector staff.

Appropriateness and Adequacy of Time Commitments

The Third Sector team will include a Team Leader (██████████), Analyst (██████████), and Senior Project Resource (██████████). These time allocations are based on averages for these roles in other recent PFS feasibility studies conducted by Third Sector, but can be adjusted as needed to meet local requirements. Because all of the staff to be assigned to this project by Third Sector have extensive experience in identical roles on similar PFS projects, we feel confident that in the estimates of the time likely to be required for Mecklenburg County (see next section on Quality of the Project Leadership team).

The County will assign and budget for (with its own funds) a half-time Project Coordinator who will be responsible for ensuring that the feasibility study can be completed on time and at a high level of quality. This person will report directly to the County Manager and thus will have the ability to ensure that appropriate resources are assigned and that commitments are met by County/CMS staff. This role has been key to the success or failure of other PFS feasibility studies.

Finally, we propose to use grant funds to support a part-time analyst in CMS who will have specific responsibility for ensuring that high-quality school data will be made available in a timely fashion to UNCC for analysis and will assist in data cleaning and interpretation. This role has also been demonstrated repeatedly in prior PFS feasibility study projects to be crucial to the success of the effort.

QUALITY OF THE PROJECT LEADERSHIP AND TEAM

Managing and Overseeing Similar Projects

Third Sector Capital Partners, Inc. (Third Sector) leads governments, high-performing nonprofits, and private funders in building evidence-based initiatives that address society's most persistent challenges. As experts in innovative public-private contracting and financing strategies, Third Sector is an architect and builder of the nation's most promising Pay for Success projects including those in Commonwealth of Massachusetts, Cuyahoga County, Ohio, and Santa Clara County, California. These projects are rewriting the book on how governments contract for social services: funding programs that work to measurably improve the lives of people most in need while saving taxpayer dollars. A 501(c) (3) nonprofit based in Boston, San Francisco, and Washington, DC, Third Sector is supported through philanthropic and government sources, including a grant from the Corporation for National and Community Service's Social Innovation Fund.

In 2014, Third Sector was awarded a [REDACTED] million grant from the Corporation for National and Community Service's Social Innovation Fund to deliver PFS technical assistance and feasibility assessments to governments interested in performance-based solutions. Third Sector has since held two national Competitions, selecting a total of 14 sub-recipients to receive feasibility and technical assistance nationwide. The sub-recipients have included projects in the areas of early childhood health, pre-K, child welfare, and workforce development.

Third Sector has an expansive national footprint as a leader in the PFS field, with PFS feasibility and construction engagements underway across the United States. Third Sector has conducted feasibility assessments for governments at the state, county and city level. Third Sector has conducted more PFS feasibility assessments than any US firm, and is one of the few national technical-assistance providers who has launched and implemented multiple PFS projects, mobilizing over [REDACTED] million for project development and funding. Since 2011, Third Sector has conducted over 50 PFS engagements and developed expertise on the front line of the PFS movement that well positions Third Sector to drive projects from feasibility to implementation.

Third Sector has experience in early childhood and pre-K PFS feasibilities, including the Washington State Department of Early Learning, Commonwealth of Virginia, and a joint project with the State of Nevada and City of Las Vegas.

Several of these projects have moved forward into the transaction structuring phase, though some have required further capacity building in order create the systems and political support for PFS and EC program expansion. For example, the Nevada project kicked off in June 2015 looking at the suitability of Pay-for-Success for Early Childhood Education (ECE) services in Nevada.

The feasibility assessment found potential for impact in mid-term educational outcomes (3rd grade reading level, etc.) as well as longer-term economic and physical well-being outcomes. As a result, the State made ECE a high priority for expansion. This feasibility assessment also indicated, however, the need to better develop the State's data collection and evaluation infrastructure in order to be ready for PFS. Currently, we are supporting the State in preparing to make the case for future funding, including:

- Evaluating a larger population to demonstrate the potential impact of investment in ECE ahead of the 2019 Legislative Session
- Creating a definitive guide to current and potential ECE funding sources that could be tapped in the future, and
- Looking at how developing the systems to support outcomes-oriented contracting can unlock new sources of funding from the federal government and philanthropies that are newly focused on PFS/Pay-for-Performance.

In addition to Third Sector's corporate experience, our proposed Team Lead and Senior Project Resource have extensive experience with PFS feasibility studies and ECE. Kevin Tan, the proposed project lead has been involved in PFS studies at Third Sector for the past two years, and before that at the Harvard Kennedy School's Social Impact Bond Lab and Social Finance Israel. He led the Nevada project described above, as well as projects in Salt Lake City and Northern VA. He holds an MPP from the Harvard Kennedy School. Gerald Croan, who will be

the senior project resource providing oversight and expert consultation to the project, has been a Senior Fellow at Third Sector for the past 3 years playing similar roles. He also has over 30 years of experience overseeing research and Technical Assistance projects for government agencies at Caliber Associates and ICF International, including multiple projects for Head Start, the Child Care Bureau, and the Department of Education. He also served for many years on the Executive Committee of the Board of Child Care Aware of America and chairs the National Research Advisory Council for Communities in Schools. We also have extensive time budgeted for professors from UNCC to conduct baseline data analyses, test the sensitivity and validity of potential outcome measures, assist with modeling, and contribute to evaluation design recommendations.

Managing Federal Grants and Ensuring Compliance

Mecklenburg County has a long history of managing federal grants. In fiscal year 2016, the County was awarded █████ million in federal grants. Awards range from █████ on the low side for flood plain mapping to █████ million on the high side for the Ryan White Program. The County has consistently demonstrated its ability to meet project outcomes and objectives.

Mecklenburg County's plans for ensuring compliance with Federal guidelines include a grants section which is responsible for maintaining records relating to grants awarded to the County including general ledger set up and reconciliations and reporting. The County has policy and procedures to ensure that internal controls are in place. Internal controls include documented grant processes, reviewing and approving the accuracy of accounting transactions, reconciling grant financial reports to the County's general ledger and monitoring grants to ensure adherence to applicable grant compliance requirements. Please see Part 6 – Other Attachments Form for information on Mecklenburg County Federal Contracts/Awards.

Another responsibility of the grants section is to review and monitor the revenues invoiced and recorded by departments to ensure that revenue is recognized and cash is received in a timely manner. Grant and department fiscal staff monitor grants to ensure that only allowable charges are processed against the grant. A process is in place to separate allowable and unallowable costs, separate direct costs from indirect costs and separate administrative cost. The County prepares and/or reviews financial reports as often as required for each grant.

The County has processes in place for monitoring sub-recipients to ensure that they are also in compliance with applicable grant requirements. Sub-recipients are required to provide progress reports and they are under the same audit requirements as the County.

Third Sector also has considerable experience in managing Federal grants, having successfully managed the Social Innovation Fund grant from the Corporation for National and Community Service with no compliance issues.

ADEQUACY OF RESOURCES

As indicated above in the Quality of Work Plan and Project Governance sections, we have taken great care to ensure that the resources necessary to complete the Feasibility Study will be available. Our staffing draws on the lessons learned from multiple past assessments of success factors for PFS projects. Those factors include: committed government leadership and investment in project coordination and data access, as well as a highly qualified and well-structured PFS contractor team. We have addressed each of these critical factors in our budgeting and in our structuring of the project with strong leadership from the County Manager. Summarizing, we indicated:

- The County will assign and budget for (with its own funds) a half-time Project Coordinator who will be responsible for ensuring that the feasibility study can be completed on time and at a high level of quality. This person will report directly to the County Manager and thus will have the ability to ensure that appropriate resources are assigned and that commitments are met by County/CMS staff.
- We propose to use grant funds to support a half-time analyst in CMS who will have specific responsibility for ensuring that high-quality school data will be made available in a timely fashion to UNCC for analysis and will assist in data cleaning and interpretation.
- The Third Sector team will include a Team Leader (██████ time) with prior experience leading early childhood PFS feasibility studies, a Senior Project Resource (██████ time) who has extensive high-level experience with both PFS studies and early care and education (ECE), and support from an Analyst (██████ time) who will also have experience supporting multiple PFS projects.
- The County will have access to Evaluation Advisors who have specific experience evaluating CMS Pre-K and working with CMS school data under an existing data sharing agreement.
- The project will also receive donated time and travel expenses from senior ECE subject matter experts from the Urban Institute in Washington, D.C. under its Arnold Foundation grant (estimated value ████████).
- Donated space, staff time, materials and equipment from County, CMS and CCRI will be used to support this initiative.
- Legal counsel and government/CMS financial expertise may be accessed from the County and CMS.
- Executive Committee, Steering Committees and workgroup members will be donating their time to this initiative.

COMPETITIVE PREFERENCE PRIORITY

Because potential social-emotional (S-E) outcome measures may be predictive of future school success, cost savings, cost avoidance, and other societal benefits, we propose to use the PFS Feasibility Study to evaluate social-emotional and behavioral Outcome Measures and strongly consider including at least one S-E measure as a basis for outcome payments. Since Mecklenburg County has already been testing strategies to improve S-E development, we also

expect to incorporate the best evidence-based strategies into an enhanced Bright Beginnings model for the PFS project.

Research indicates that children are more likely to be successful in school if they can identify emotions in themselves and others; relate to adults and peers in positive ways; and manage anger, frustration and distress. Between the ages of two and five, the brain is primed and ready to learn such social-emotional skills, including how to manage impulses and strong emotions. We know that some children lag in their social-emotional development, which has educational consequences. Statewide, 10-25% of young children display challenging behavior inappropriate for their developmental level, and each year, 15% of pre-K teachers expel at least one child.

Social-Emotional Gains in Children Served by Mecklenburg County Public Pre-K

Mecklenburg County's public pre-K programs have demonstrated success achieving measurable social-emotional growth among children served. As previously cited, Kilmer and Cook found that students show substantial gains in social-emotional development, i.e. in their ability to interact successfully with their peers and with adults. While Bright Beginnings children begin the year lower than most children (on nationally-normed measures), they end the year above average on those measures. This is particularly important, because research shows that, despite the "fade out" in verbal skills, children in early childhood intervention programs do better as adults in several ways (e.g., graduate from high school, are employed, stay out of prison). These differences as adults appear to be due to gains in social-emotional functioning in their pre-k year.

Additionally, the study found that students show substantially greater social-emotional development when provided higher quality instruction. Classrooms vary substantially in the quality of implementation of the program curriculum. Students in "high performing" classrooms showed greater gains in their social-emotional development than those in "low performing" classrooms. Moreover, classroom functioning tended to deteriorate over time. This indicates a need for stronger coaching of teachers to ensure that all children have a high quality classroom experience. In other communities, strong coaching has led to improvements in teaching.

In 2005, North Carolina's Division of Child Development and Early Education (lead agency for both child care and public pre-k) first funded the *Healthy Social Behaviors* (HSB) initiative which systematically promotes the social-emotional health of young children enrolled in licensed child care classrooms statewide. Since its inception, CCRI has been responsible for the oversight and management of this statewide project.

HSB prevents and addresses the use of challenging behaviors by:

- Modifying adult behavior and early childhood environments to ensure promotion of social-emotional competencies and prevention of challenging behavior
- Partnering with early educators to determine and implement intervention strategies to address challenging behaviors

- Assisting staff and parents in finding appropriate referrals for children who require additional intervention and/or for the adults (family members or teachers) who care for those children
- Increasing access to resources and professional development on the importance of and supports for social-emotional development in early childhood classrooms

Though not clinically licensed, HSB's team of highly-trained, uniquely-qualified behavior specialists provide training and on-site technical assistance for early care and education staff statewide. HSB specialists are certified in utilization of the evidence-based *Pyramid Model*, a framework of support for social-emotional development in early childhood classrooms developed by the Center on the Social and Emotional Foundations for Early Learning (CSEFEL).

HSB specialists serve 527 classrooms in 369 facilities (annual average) with measurable impact:

- Throughout the first five years of implementation, HSB documented a 45% reduction in expulsions from facilities served by the project.
- Since 2009, teachers have identified 6,417 children (of the total 45,398 children in classrooms served) as using challenging behaviors.
- With HSB intervention, 97% of these children (who are at highest risk of expulsion) maintained their early education placement.

Between September 2014 and June 2016, HSB specialists gathered pre- and post-technical assistance data measuring the social-emotional skills of children identified as using challenging behaviors. These measurements were based on anonymized teacher report on the Ages & Stages Questionnaire: Social-Emotional (ASQ-SE) – an evidence-based, valid and reliable screening tool which utilizes a scoring method with a “cutoff score” to identify children who may be at risk in their social and/or emotional development. As of June 30, 2016, post-TA screenings on 196 children (served in 89 classrooms) were analyzed. Results are as follows:

- 88% of children showed improvement in scores, indicating increased S-E competencies
- 53% of children scored within the normal range (i.e. below the cutoff) for S-E development

The data suggest that classroom-based technical assistance on the *Pyramid Model* is effective in improving children's social-emotional development and school readiness. Given its success, HSB will be used as a model for the enhancement of Mecklenburg County's public pre-K programs, with CCRI providing leadership for this effort and leveraging its proven capacity to scale effective social-emotional support strategy in classrooms serving preschool-age children.

SUMMARY

How important does Mecklenburg County consider its responsibility to give young children the catalyzing start in life that they need to be successful citizens? Trevor Fuller, Chair of Mecklenburg County Board of Commissioners, said this in his 2016 State of the County address:

“.....we already have additional capacity to deliver high-quality child care to more children in Mecklenburg County, yet the need is not being met. Many communities across the country have wrestled with this same challenge. New York City, Denver, San Antonio, Salt Lake City, Seattle and Aspen, to name a few, all have implemented early childhood education programs. While they vary in size and scope, the one thing they’ve had in common is a community commitment to ensure that children have access to early childhood education experiences they know will provide life-long benefits. The return on investment can be calculated many times over as these children are able to compete with their peers as adults.

Mecklenburg County can and should do no less. All our children deserve no less.

So today, I am calling for the implementation of Universal Pre-K for all children in Mecklenburg County. Under this initiative, every child age 0-5 in Mecklenburg County will have access to a quality early childhood education. No child will be denied because of his or her family’s financial condition.

This is an ambitious undertaking that will have to be phased-in. Over the last several months, I have consulted with numerous experts and stakeholders in our community to determine the viability of this plan and how it could be structured.

It is clear that trying to do this all at once would be biting off more than we could chew. But a three-phase approach seems workable. In the first phase, we would get every child off all current waiting lists. In the second phase, we would serve all 4-year olds in the County. In the third phase, we would reach children age 0-3. To get started, we will immediately form an Implementation Team to organize this community effort.

To make this work will require the participation of our whole community, the public and private sectors. Research conducted by The National Institute of Early Education Research has revealed that investments in high-quality early childhood education bring identifiable, lasting benefits and substantial economic returns for everyone.

We will need support from local and national foundations. We’ll need support from our partners at the State of North Carolina and in the General Assembly. We’ll need support from our federal delegation, and we’ll need local support from non-profits, businesses, and government.

The time has come for us to take bold action to ensure the future prosperity of our county. I hope you’ll join this effort”

Universal high-quality early childhood programs have much merit and the County is serious about aspiring to that goal. Universality, however, won’t occur quickly in the County. In the meantime, the County believes that PFS holds the most promise for expanding much-needed early childhood education service to unserved, at-risk children.

We trust the US Department of Education agrees, and we look forward to a partnership with the Department that benefits the County’s children.

Section C: Budget Narrative For Mecklenburg County Preschool PFS Feasibility Pilot Proposal

Section A -- Budget Narrative (Budget Summary for U.S. Department of Education Funds):

Personnel (line 1): No personnel will be charged to the Section A budget. Mecklenburg County Government will pay for the cost of a contracted position included in Section B on line 6 (Contractual).

Fringe Benefits (line 2): No fringe benefits will be charged to the Section A budget. Mecklenburg County Government will pay for the cost of fringe benefits for a contracted position included in Section B on line 6 (Contractual).

Travel (line 3): No travel costs will be charged to Section A or B budgets. Travel costs for the County's primary contractor are included under line 6 (Contractual).

Supplies (line 4): [REDACTED] is budgeted for supplies and materials related to this grant in anticipation of the development and distribution of meeting information and materials to support Executive Committee, Steering Committee, work groups, and stakeholder/community meetings.

Equipment (line 5): No equipment costs will be charged to Section A or B budgets.

Contractual (line 6): This line item is comprised of two sub-contracts: 1) Third Sector Capital Partners Inc. (Third Sector) and 2) Charlotte-Mecklenburg Schools.

Third Sector Capital Partners, Inc.

- **Purpose and relation to project success:** Third Sector Capital Partners, Inc. (Third Sector) will serve as the primary contractor to execute the feasibility study. Third Sector is uniquely qualified to lead management and execution of the feasibility study and has successfully completed PFS feasibilities with more than 50 jurisdictions to date. In addition to leading the writing of the final feasibility report, Third Sector will provide project management and lead on specific work streams throughout the grant period. As a federal grantee through the Corporation for National and Community Service's Social Innovation Fund, Third Sector has the requisite federally compliant internal time tracking, reporting, and budgeting processes.
- **Products to be acquired, and/or the professional services to be provided:** Third Sector will provide advisory services to the County as well as subcontracting with specific subject matter experts are necessary to complete key work stream activities. The advisory services include coordination of project partners in executing the work plan and completing the written feasibility report.
- **Brief justification for the use of the contractors selected:** The County has worked with Third Sector to prepare itself for a Pay for Success feasibility study. Third Sector is uniquely qualified as a contractor for this work based on the firm's understanding of Mecklenburg County and its early childhood services, proven ability to execute feasibility studies and launch PFS projects in multiple jurisdictions, and status as a federal Pay for Success grantee through the Corporation for National and Community Service's Social Innovation Fund. Third Sector will subcontract with subject matter experts from the University of North Carolina for an additional \$ [REDACTED] in services. These

experts were selected based on their prior experience conducting evaluations of Pre-K in the County and their existing data sharing agreements with the County. The Urban Institute was selected because of their national expertise in ECE PFS and their willingness to contribute services paid for by a national foundation. This contribution is listed in the budget narrative for Section B (line 8) as an in-kind contribution.

- **Cost of Third Sector Services :**

Third Sector Role	Role Description	Hourly Rate	Hours for Feasibility Study	Total
Senior Project Resource	Oversees project, and provides SME support	████/hour	████	████
Project Lead	Leads execution of work plan and serves as day-to-day contact for project partners	████/hour	████	████
Project Analyst/Support	Supports execution of work plan and creation of key deliverables	████hour	████	████
Subject Matter Experts (Cook, Kilmer, UNC Charlotte and Peiser-Feinberg UNC Frank Porter Graham, and Urban Institute)	Provide expertise in evaluation and ECE evidence-based strategies	████	████	████
Travel		N/A	N/A	████
TOTAL			████	████

- **Amount of time that the project will be working with the contractor(s):** The County will work with Third Sector for the up to 12 month duration of the project. During this period, Third Sector will provide █████ hours of direct service to complete the feasibility study, in addition to the time to be delivered by the Subject Matter Experts (SMEs).
- **Amounts of time to be devoted to the project, including the costs to be charged to this proposed grant award:** Third Sector will provide █████ hours of direct service to complete the feasibility study. Including travel and SMEs, the costs to be charged to this proposed grant award is █████ for Third Sector Capital Partners. Hours for SMEs is estimated at █████, but will be determined after Third Sector completes an assessment of the analyses required.

- **Procurement under 2 CFR 200.317-200.326:** Mecklenburg County has retained Third Sector Capital Partners, Inc. (“Third Sector”) to serve as a Technical Advisor for the Feasibility Assessment in accordance with the County’s procurement laws, regulations, and guidance.
- **Basis for cost estimates or computations.** These estimates are based on Third Sector’s experience completing PFS feasibilities in other jurisdictions and knowledge of the additional resources available to the project from applicant staff and other contractors.

Charlotte-Mecklenburg Schools (CMS)

- **Purpose and relation to project success:** Charlotte-Mecklenburg Schools is an essential partner with Mecklenburg County to inform the feasibility study and to enable this initiative to access key data variables regarding the initial and ongoing success of the targeted population that will participate in PPKMC.
- **Products to be acquired, and/or the professional services to be provided:** Most CMS leadership and staff involvement in this initiative will be made available at no cost to the grant. However, in order to ensure sufficient access to data within CMS’ Accountability Office, we have included in the Section A budget the cost of compensation (salary and benefits) for a half-time data analyst who will work for a nine-month period to support the data needs of the feasibility study.
- **Brief justification for the use of the contractors selected:** CMS is the only public school system in Mecklenburg County and has responsibility for public pre-K services for four-year-old children throughout the County.
- **Cost of CMS Service:**

Role	Role Description	Rate	Hours for Feasibility Study	Total
Data Analyst	Fulfills all CMS data inquiries needed to support feasibility study.	<u>Annual Salary:</u> ██████████ x ██████████ FTE/12 months x 9 months = ██████████ <u>Benefits:</u> ██████████ x ██████████ 12 months x 9 months = ██████████ <u>Indirect:</u> \$█████████ (salary & benefits total x ██████████ (Approved CMS indirect rate) = ██████████ Total Cost: ██████████	█████████ hours (2080 hours / 2 (█████████ FTE) / 12 months x 9 months)	\$█████████
TOTAL		█████████	█████████	█████████

- **Amount of time the CMS subcontractor will be working with the Contractor:** The CMS data analyst will work with Mecklenburg County and Third Sector for 9 months of the 12 month duration of the project at [REDACTED]. During this period, the CMS data analyst will provide [REDACTED] hours of direct service to complete the feasibility study at a total cost of \$ [REDACTED]
- **Procurement under 2 CFR 200.317-200.326:** Mecklenburg County will contract with Charlotte-Mecklenburg Schools in accordance with the County’s procurement laws, regulations and guidance.
- **Basis for cost estimates or computations.** These estimates are based on data provided by CMS and Third Sector’s experience and guidance regarding the data retrieval, review and analysis necessary to complete PFS feasibility studies in other jurisdictions.

Construction (line 7): Not applicable

Other (line 8): No other costs will be charged.

Total Direct Costs (line 9): Sum of Supplies and Contractual Costs = [REDACTED]

Indirect Costs (line 10): No indirect costs will be charged.

Training Stipends (line 11): No training stipends will be charged.

TOTAL COSTS (line 12): [REDACTED]

Section B -- Budget Narrative (Budget Summary for Non-Federal Funds):

Personnel (line 1): No personnel will be charged to the Section B budget. Mecklenburg County will pay for the cost of a contracted position included in on line 6 (Contractual).

Fringe Benefits (line 2): No fringe benefits will be charged to the Section B budget. Mecklenburg County will pay for the cost of fringe benefits for a contracted position included in on line 6 (Contractual).

Travel (line 3): No travel costs will be charged to Section B as these costs will be absorbed by local stakeholders.

Equipment (line 4): No equipment costs will be charged to the Section B budget as equipment is already available to support project needs.

Supplies (line 5): No supplies cost will be charged to the Section B budget.

Contractual (line 6): This line item is for a contracted [REDACTED] FTE Project Coordinator for the twelve-month period. This \$ [REDACTED] cost (based on a [REDACTED] full-time pro-rated salary to half-time, plus benefits charged at [REDACTED], plus indirect costs charged at a de minimus rate of [REDACTED]) will be paid by Mecklenburg County. The Project Coordinator is an essential position which will be responsible for supporting the County Manager, CMS, Third Sector and CCRI and serve as a liaison with the aforementioned entities and Committee and Work Group members to support the successful completion of the feasibility study proposed herein.

Construction (line 7): Not applicable

Other (line 8): The Urban Institute has agreed to provide [REDACTED] days of senior staff consulting time plus travel expenses at no cost to the project (see their commitment letter in Part 6 – Other Attachments). We have not included this on the budget form, however, since they have not provided a formal budget and it is not considered match. We estimate the value of these services at approximately [REDACTED]. No additional other costs will be charged to the Section B budget.

Total Direct Costs (line 9): \$ [REDACTED] (to be paid by Mecklenburg County)

Indirect Costs (line 10): Not applicable

Training Stipends (line 11): Not applicable

***TOTAL COSTS* (line 12): [REDACTED] to be paid by Mecklenburg County.**