

# Making Early Care & Learning Affordable for Families

Every year, tens of thousands of young children from low-income families benefit from North Carolina's early learning and care programs. This system supports the care, education, and healthy development of children living in poverty, prioritizing parental choice and children's individual needs. Unfortunately, due to funding rates & levels, the programs only reach a fraction of eligible children—putting child care & early learning out of reach for thousands of families who want to work and support their children.

## CHILD CARE SUBSIDY

### WHAT IT DOES

Child care subsidy program for low-income families with children ages 0-5 (children ages 6-13 may receive care outside school hours).

### WHO IT SERVES

Children from families who are working or in school, earning below 85% of the state median income. Also serves other special populations.

**FEDERAL PROGRAM** Child Care Development Block Grant, plus state matching & maintenance of effort funds. Some Temporary Aid for Needy Families (TANF) funds for eligible children. Below budget does not include recent federal pandemic relief funds.

**BUDGET: \$403M** FY 2020-21<sup>1</sup>



**17% of eligible children under 6 served**<sup>2</sup>

## HEAD START & EARLY HEAD START

### WHAT IT DOES

Comprehensive early learning, health, nutrition support services to children birth to age five who are living in poverty.

### WHO IT SERVES

Families earning below the federal poverty line, families experiencing homelessness, children with disabilities, children in foster care.

**FEDERAL PROGRAM** Head Start & Early Head Start

**BUDGET: \$242M** FY 2020-21<sup>3</sup>

### HEAD START



**19% of eligible children served**<sup>4</sup>



### EARLY HEAD START



**6% of eligible children served**<sup>5</sup>

## NC PRE-K<sup>6</sup>

### WHAT IT DOES

Early learning program to enhance school readiness, available during the school year / during school hours.

### WHO IT SERVES

Four-year-old children from families with income at or below 75% State Median Income (SMI), or other documented categories regardless of income including: military status, developmental disability, chronic health condition, Limited English Proficiency.

**STATE PROGRAM** NC Education Lottery revenue  
*Supplement: federal TANF funds, CARES funds, & state general fund*

**BUDGET: \$185M** FY 2020-21



**51% of eligible children served**<sup>7</sup>

## SMART START

### WHAT IT DOES

The Smart Start network is a public/private partnership comprised of 75 local partnership organizations and the North Carolina Partnership for Children.

Created in 1993, Smart Start helps parents pay for child care, improves the quality of early care and education programs, promotes children's health and development, and provides family support.<sup>9</sup>

### WHO IT SERVES

Children birth to five in all 100 counties

**STATE PROGRAM** State general fund

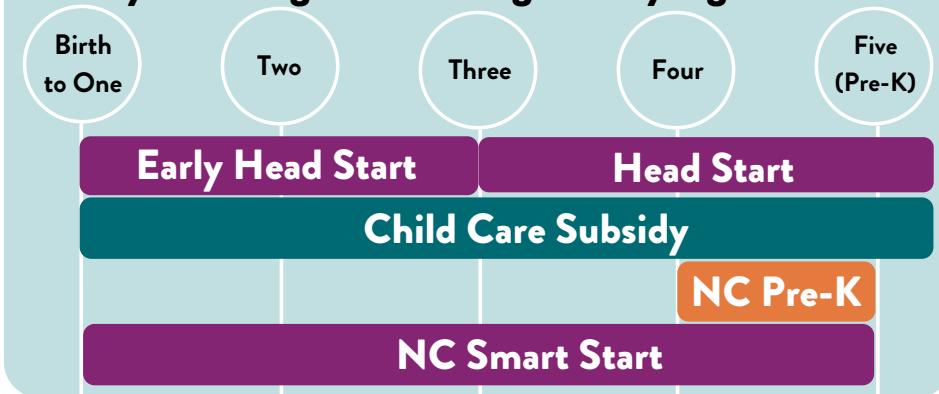
*Supplement: Some county & private funds*

**BUDGET: \$154M** FY 2020-21



**25% of eligible children served**<sup>9</sup>

### Early Learning & Care Programs by Ages Served



### FOOTNOTES & SOURCES

- [Office of State Budget & Management \(2020\)](#)
- [Think Babies Alliance NC \(2021\)](#)
- [National Head Start Association \(2022\)](#)
- [National Head Start Association \(2020\)](#)
- [National Head Start Association \(2020\)](#)
- [Division of Child Development and Early Education \(2022\)](#)
- [myFutureNC \(2021\)](#)
- [Smart Start \(2022\)](#)
- [Smart Start \(2022\)](#)

[First Five Years Fund](#)  
[National Institute for Early Education Research](#)

