



# SENATE BILL 105: 2021 Appropriations Act, Sec. 9C.6: Smart Start Initiatives

2021-2022 General Assembly

<b>Committee:</b>		<b>Date:</b>	February 25, 2022
<b>Introduced by:</b>		<b>Prepared by:</b>	Jessica Boney Staff Attorney
<b>Analysis of:</b>	Sec. 9C.6 of S.L. 2021-180		

**OVERVIEW:** Section 9C.6.(a) of S.L. 2021-180 directs the North Carolina Partnership for Children, Inc., and its Board to ensure policies focus on the mission of improving child care qualify for children from birth to age 5. This section outlines the North Carolina Partnership for Children, Inc., funded activities including assisting child care facilities with improving quality and implementing prekindergarten programs. State funding for local partnerships is to be used for programs that increase children's literacy, increase the parents' ability to raise healthy, successful children, improve children's health and assist four- and five-star rated facilities in improving and maintaining quality.

Section 9C.6.(b) of the act directs administrative costs must be equivalent to, on an average statewide basis for all local partnerships, no more than 8% of the total statewide allocation to all local partnerships. The North Carolina Partnership for Children, Inc., is to continue using a single statewide contract management system that incorporates features of the required standard fiscal accountability plan. All local partnerships are required to participate in the contract management system and to collaborate with other local partnerships to increase efficiency and effectiveness.

Section 9C.6.(c) of the act outlines the salary schedule based on specified criteria to determine the maximum amount of State funds that can be used for the salary of the Executive Director and the directors of the local partnerships. Nothing in this subsection prohibits a local partnership from using non-State funds to supplement an individual's salary.

Section 9C.6.(d) of the act requires the North Carolina Partnership for Children, Inc., and all local partnerships, in the aggregate, to match 100% of the total amount budgeted for the program in each fiscal year of the 2021-2023 biennium. Of the funds that the North Carolina Partnership for Children, Inc., and the local partnerships are required to match, contributions of cash are to be equal to at least 13% and in-kind donated resources are to be equal to no more than 6%, for a total match requirement of 19% for each year of the 2021-2023 fiscal biennium. This section provides details on in-kind contributions, volunteer services and expenses. Failure to obtain a 19% match by June 30 of each year of the 2021-2023 fiscal biennium results in a dollar-for-dollar reduction in the appropriation for the program for a subsequent fiscal year.

Section 9C.6.(e) of the act requires the North Carolina Partnership for Children, Inc., and all local partnerships to use a specified competitive bidding practices in contracting for goods and services depending on contract amounts.

Section 9C.6.(f) of the act prohibits the North Carolina Partnership for Children, Inc., from reducing the allocation for counties with less than 35,000 in population below the 2012-2013 funding level.

Section 9C.6.(g) of the act requires the Department of Health and Human Services to continue implementing the performance-based evaluation system.

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 105

Page 2

*Section 9C.6.(h) of S.L. 2021-180 prohibits the use of funds allocated for Early Childhood Education and Development Initiatives for the 2021-2023 fiscal biennium from being administered or distributed for capital expenditures or for advertising and promotional activities.*

*Notwithstanding Section 9C.6.(h) of the act, Section 9C.6.(i) of the act allows up to 1% of State funds to be used for fundraising activities, and requires the North Carolina Partnership for Children, Inc., to include in its annual report required under G.S. 143B-168.12(d) a report on the use of State funds for fundraising.*

*This section became effective July 1, 2021.*