

Smart Start

**Request to Expand Eligibility to Include
85% of the State Median Income, with
One Additional Risk Factor**

Carol Orji and Gary Carr

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@wakegov    

wake.gov

Agenda

- **Current State**
- **Request**
- **County Staff Recommendation**
- **Discussion and Questions**

Current State – FY25

- The FY25 Wake County appropriation to Smart Start for Pre-K supports:
 - 1,532 slots
 - A reimbursement rate of \$1,346
 - Program Administration
 - A Pre-K Database
 - Four FTE
- As of October 8, 2024: 1,447 of the 1,532 total Pre-K Slots were filled
 - 902 of 982 Private Site slots
 - 156 of 161 of Head Start slots
 - All of 389 of Wake County Public Schools slots filled
- Slots for the 2024-2025 school year will continue to be filled until March 30, 2025

Current State – How we got here

- **Wake County Board of Commissioners established a goal in October of 2019 to serve 85% of the income eligible 4-year-old population across all programs**
- **85% remains the standard of serving income eligible families interested in Pre-K programs**
- **Income eligible for County funding traditionally defined as Wake County families that earn at or below 75% State Median Income**

Income Eligibility

- NC Pre-K Income Eligibility is determined by family size and gross income
- The table to the left was released October 19, 2023, to be effective as of January 1, 2024
- Data source is U.S. Census Bureau, 2022 American Communities Survey (ACS) 1-year Estimates
- Eligibility information is available on [Wake Smart Start's Website](#).

Family Size	75% State Median Income
2	\$53,681
3	\$66,312
4	\$78,943
5	\$91,574
6	\$104,204
7	\$106,573
8	\$108,941
9	\$111,309
0	\$113,678
11	\$116,046
12	\$118,414

Request

- **Smart Start Staff would like to expand eligibility for Pre-K slots to include families who are between 76% - 85% of the State Median Income, if the child has at least one additional risk factor**
- **An eligible risk factor may be an individualized education plan, developmental disabilities, chronic health conditions, or limited English proficiency**
- **Smart Start Board of Directors has defined "greatest need" as 85% of the state median income, compared to the 75% threshold used by the NC PreK guidelines**

Request – Business Case

- **Admitting students up to 85% of the State Median Income is allowable under NC Pre-K Regulations, if a child has a risk factor**
- **Smart Start is allowed to utilize up to 20% of its slots for children who may have family incomes above 75% of the state median income if the child has an eligible risk factor under NC Pre-K Regulations**
- **4,400 applications were received for the 2024-2025 school year as of September 26th**
 - 99 additional children would have been eligible under the 85% state median income with an additional risk factor, based upon parent self-reporting
 - 454 applications did not provide income information, but did indicate at least one risk factor

Request – Business Case

- **Smart Start has the capacity to serve additional children, who meet the 85% median income**
 - Smart Start Pre-K Sites hired staff in anticipation of all allocated slots being filled for the 2024-2025 school year.
 - 85 of the 1,532 total Pre-K Slots are unfilled as of October 8, 2024
 - 80 Private Site slots
 - 5 Head Start slots
 - All Wake County Public Schools slots are filled
- **However, sites are facing budget shortfalls. Unfilled slots reduce reimbursement rates revenue, leading to sites not being able to pay staff or stay open.**

County Staff Recommendation

- **Approve request to expand eligibility to include families who are up to 85% of the State Median income, and whose child has at least one additional risk factor**
- **Applicants who are at or below 75% of the State Median income should be prioritized for Pre-K slots**
- **Maintain current funding formula and number of slots in FY25 based on the 75% median income threshold**



Discussion and Questions



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