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Finance Committee Meeting Agenda
Quorum = 4 (50%) (Total Committee Members = 7)
 Thursday, October 16, 2025
 1:00 pm – 3:00 pm
HYBRID (Charles Morris Conference Room and Zoom)

	Topic	Presenter
I.	Call to Order & Chair Comments^Δ	
	A. Welcome B. Volunteer Forms (https://ccpfc.tfaforms.net/5170631) C. Board Donations https://ccpfc.org/donate/ D. FY 25/26 1. Required Documentation Per Policy https://ccpfc.tfaforms.net/5136195	Betty Smith Betty Smith Mary Sonnenberg Mary Sonnenberg
II.	Action Items*	
	A. August 14, 2025 Minutes B. Contracts Policies & Guidelines 1. Deletion of Chapters a. Chapter 6: Financial Status Reports: LP b. Chapter 7: Financial Status Reports: DSP (Including Initial Draws) c. Chapter 12-1: Monitoring of Smart Start Direct Service Providers d. Chapter 12-2: Monitoring of CCR&R Region 5 Grantees 2. Approval of Policy Updates	Betty Smith Michelle Downey
III.	Discussion^Δ	
	A. Region 5, Healthy Social Behaviors (HSB) and Birth to Three Quality Initiative (B3QI) Grants Update B. Update on FY 24-25 Audit C. NCPC Monitoring, November 12-13, 2025 D. Building Construction 1. Phase III – Update 2. Building Sustainability	Mary Sonnenberg Marie Lilly Mary Sonnenberg Mary Sonnenberg
IV.	Accounting Reports	
	A. Financial Reports: September 2025 ^Δ 1. Smart Start 2. NC Pre-Kindergarten 3. Southwestern Child Development Commission (SWCDC) – Region 5 4. All Funding Sources 5. Unrestricted Revenues 6. Cash and In-Kind Report B. September 2025 Morgan Stanley Statement ^Δ	Marie Lilly / Betty Smith Michelle Downey Mary Sonnenberg

PFC is a 501(c)(3) non-profit organization supported by public and private funds through Smart Start, NC Pre-K, tax-deductible donations, and grants.



V.	President's Report			Mary Sonnenberg
VI.	Upcoming Meetings / Holidays / Closures			
	MEETING	MEETING DATE	MEETING TIME	
	Facility & Tenant	October 20, 2025	11:30 am – 1:00 pm	
	<i>Board of Directors (& NC Pre-K Planning)</i>	<i>October 30, 2025</i>	<i>12:00 pm – 2:00 pm</i>	
	Family Connects	November 4, 2025	3:00 pm – 4:00 pm	
	Board Development	November 12, 2025	9:00 am – 10:30 am	
	CCR&R	November 13, 2025	9:00 am – 11:00 am	
	Human Resource	November 18, 2025	12:30 pm – 2:00 pm	
	<i>Executive</i>	<i>November 20, 2025</i>	<i>9:00 am – 11:00 am</i>	
	Planning & Evaluation	December 2, 2025	1:00 pm – 3:00 pm	
	Community Engagement & Development (CED)	January 8, 2026	8:30 am – 10:30 am	
	<i>Finance</i>	<i>January 15, 2026</i>	<i>1:00 pm – 3:00 pm</i>	
	EVENTS	DATE	LOCATION	
	PFC Staff Development Hot Dog Sale	Thursday, October 30, 2025	PFC Lobby	
	Grilled Cheese Festival	Saturday, November 15, 2025	Dirtbag Ales	
	Little Land	Saturday, March 14, 2026	Expo Center	
	HOLIDAY/CLOSURES	DATE CLOSED		
	Veterans Day	Tuesday, November 11, 2025		
	Thanksgiving	November 26 thru November 28, 2025		
	Christmas	December 24 thru December 31, 2025		
	New Year's Day	January 1, 2026		
	Optional Mental Health Day	January 2, 2026		
VII.	Adjourn^Δ			
	* Needs Action ^Δ Information Only ! Possible Conflict of Interest (Recusals) ^ε Electronic Copy (Hard copies are available Upon request) ^Δ Document Included in Packet			



Partnership for Children of Cumberland County, Inc.
Virtual Finance Committee Meeting Minutes
August 14, 2025 (1:02 pm to 2:00 pm)
Be the Driving Force



MEMBERS PRESENT: Amy Cannon, Dr. Meredith Gronski (left @ 1:38pm), Brenda Jackson, Mark Rice and Betty Smith
MEMBERS ABSENT: Tre’vone McNeill and Taylor Mobley
NON-VOTING ATTENDEES: Michelle Downey, Marie Lilly, Carole Mangum, Anthony Ramos, Mary Sonnenberg, Karen Staab and Kesia Wilson

AGENDA ITEM	DISCUSSION & RECOMMENDATION	ACTION	FOLLOW-UP
I. Call to Order & Chair Comments A. Welcome & Introductions 1. RSVP / Quorum = 50% (7 Members = 4 Quorum) B. Volunteer Forms C. Board Donations D. FY 25/26 1. Required Documentation Per Policy 2. Board and Committee Calendar	<p>The scheduled hybrid meeting of the Finance Committee was held on Tuesday, August 14, 2025, and began at 1:02 pm pursuant to prior email notice to each committee member. Betty Smith, Chair, determined that a quorum was present and called the meeting to order. Anthony Ramos was the Secretary for the meeting and recorded the minutes.</p> <p>A. Betty Smith welcomed everyone to the meeting. B. Committee members who reviewed the committee packet prior to the meeting were asked to complete the volunteer form that was emailed to them with their packet. C. Mary Sonnenberg asked committee members who serve on the PFC Board to provide their annual board donation. D.1. All board and committee members are required to complete their required documents annually. These are required per policy. D.2. The fiscal year 2025-2026 Board and Committee Calendar was provided for information only.</p>	<p>Called to Order</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>
II. Action Items* A. May 20, 2025 Minutes B. FY 24/25 Exhibits A&B C. Fayetteville Technical Community College (FTCC) System of Support (SOS) Removal – Fiscal and Programmatic	<p>A. The minutes for the May 20, 2025 scheduled meeting were previously emailed and reviewed by the committee members. Mark Rice moved to accept the minutes as presented. Amy Cannon seconded the motion. Hearing no further discussion, the Chair put the motion to a vote. If anyone did not approve the motion, they were asked to place their comment in the ZOOM chat box. All votes were unanimous. There were no abstentions. The motion carried.</p> <p>B. Marie Lilly provided an overview of the FY 24/25 Exhibits A&B. Brenda Jackson moved to accept the FY 24/25 Exhibits A&B as presented. Dr. Meredith Gronski seconded the motion. Hearing no further discussion, the Chair put the motion to a vote. If anyone did not approve the motion, they were asked to place their comment in the ZOOM chat box. All votes were unanimous. There were no abstentions. The motion carried.</p>	<p>Motion Carried</p> <p>Motion Carried</p>	<p>None</p> <p>None</p>



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	<p>C. Karen Staab provided an overview of the Fayetteville Technical Community College (FTCC) System of Support (SOS) for the Parents for Higher Education Subsidy and Administrative Support Activity. This activity has been on the SOS program for approximately 2 years due to changes of key staff and some concerns that were noted during their fiscal monitoring during FY 23-24. A new Senior Vice President of Business and Finance and the Director of Budget and Grants were appointed in 2023. During the current SOS fiscal monitoring, the supporting documentation has continued to agree to their financial status report and there have been no further concerns. It is recommended that FTCC's Parents for Higher Education Subsidy and Administrative Support be removed from the SOS. The activity will continue to be monitored on an annual basis.</p> <p>Mary Sonnenberg reported that the SOS for Program Monitoring is recommending the removal of the FTCC Parents for Higher Education activity and Child Care Health Consultant from the SOS. There have been some changes internally and it is being recommended to add CCR&R, Lending Library and Kaleidoscope to the SOS mostly due to staff changes. The Cumberland County United Way Dolly Partons Imagination Library (DPIL) activity will need to be added to the SOS as well.</p> <p>Mark Rice moved to accept removing the FTCC Parents for Higher Education Subsidy and Administrative Support Activity and Parents for Higher Education and Child Care Health Consultant from the SOS and adding CCR&R, Lending Library, Kaleidoscope and DPIL to the SOS as presented. Dr. Meredith Gronski seconded the motion. Hearing no further discussion, the Chair put the motion to a vote. If anyone did not approve the motion, they were asked to place their comment in the ZOOM chat box. All votes were unanimous. There were no abstentions. The motion carried.</p>	Motion Carried	None
<p>III. Discussion^A</p> <ul style="list-style-type: none"> A. Region 5 and Healthy Social Behaviors (HSB) Grants Update B. Update on FY 24-25 Audit C. Building Construction <ul style="list-style-type: none"> 1. Phase III – Update 2. Construction Loan Balance D. Building Sustainability Workgroup 	<ul style="list-style-type: none"> A. Mary reported that PFC is the Region 5 CCR&R lead and provide technical assistance and consumer education for parents to find childcare, as well as other special projects for 7 other counties besides Cumberland. PFC contracts have been put into amendments, extending the contracts for Healthy Social Behavior (HSB) and Birth to Three Quality Initiatives (B3QI); HSB ends in December 2025 and B3QI ends January 2026. The HSB budget received is 32% of the budget, which is difficult to manage for 6 months. Core budget has been funded for the entire year, with no decrease. Staff are aware of limitations of these budgets. Marie Lilly stated that the 15% used to support Admin will no longer exist when these grants end. The question was asked regarding staff and layoffs. Per Mary, budgets are being reviewed to reassign staff to other areas if needed through the end of the fiscal year. Mary stated that she is not sure what will happen afterwards. Administrative staff is monitoring closely. B. Marie reported the audit is on the fast track. Requested items are being sent to the auditors. Form 990 will be completed after the audit is completed. C.1. Mary stated that shop drawings are approved and material will be ordered. The approximate start date for construction is November 2025. The construction loan for the bank has been extended through December 31, 2025 at the 2.75% interest rate. The City CDBG money will be used as well to pay for this phase of building construction. C.2. The balance of the construction loan is \$257,000.00; \$7,954.00 is being paid monthly. D. The Building Sustainability Workgroup met on August 12, 2025. The group is looking at the long-term liability of owning the building. Family Resource Tower 1 was purchased with State money and would 	None None None None None	None None None None None



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	<p>need to be returned to the State if the tower is sold. The workgroup is potentially suggesting to sell Tower 2 instead since it was purchased with private dollars. Further items must be discussed before the group moves further with recommendations to the Board.</p> <p>After one of the PFC vehicles was involved in an accident and the settlement was received, 75% of the settlement received had to be returned to the State since the vehicle was purchased with NC Pre-K funds.</p>		
<p>IV. Accounting Reports^Δ</p> <p>A. Financial Reports: June 2025</p> <ol style="list-style-type: none"> 1. Financial Summary 2. FY 24/25 Final Cash and In-Kind Report <p>B. Financial Reports: July 2025</p> <ol style="list-style-type: none"> 1. Smart Start 2. NC Pre-Kindergarten 3. Southwestern Child Development Commission (SWCDC) – Region 5 4. All Funding Sources 5. Unrestricted State Revenues (USR) 6. Cash and In-Kind Report <p>C. July 2025 Morgan Stanley Statement</p>	<p>A.1. The Financial Reports for June 2025 were previously emailed. Marie Lilly, Mary Sonnenberg and Carole Mangum provided an overview of the June 2025 Financial Summary with the committee. All financial reports for June 2025 were included in the electronic packet.</p> <p>A.2. Michelle Downey provided an overview of the FY 24/25 Final Cash and In-Kind Report. The penalty for not obtaining the target goal was waived for FY 24/25. This is a network wide goal. Mary reported that Parent Fees have not been received; last year is was approximately \$500,000. ARPA money is included for Cash and In-Kind as well. All of the money has not been used and will be used for FY 25/26. Marie provided an overview of the unspent Smart Start funds from each year; the sheet was included in the packet.</p> <p>B.1.-B.5. The Financial Reports for July 2025 were previously emailed. Marie and Carole reviewed the reports with the committee.</p> <p>B.6. The Cash and In-Kind Report for July 2025 was previously emailed. Michelle Downey reviewed the report with the committee. Mary reported that the Cumberland Community Foundation Jerry/Helen Leggett Endowment was established for PFC to support early childhood programs and operations by Helen Leggett. Money is received from this endowment annually. PFC is asked if the organization wants to receive money from the other PFC endowment annually, but has not taken any money from it.</p> <p>C. Mary provided an overview of the July 2025 Morgan Stanley Statement.</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>
V. President’s Report ^Δ	The President’s Report was included in the packet and a brief overview was provided by Mary during the meeting. Not on the report: PFC has submitted an FSR for NC Pre-K advances. An advance will help with the cash flow to pay NC Pre-K providers. Sharon Moyer’s last day is August 26. A farewell event is being held after the August board meeting.	None	None
VI. Upcoming Meetings / Holidays / Closures	See Agenda	None	None
VII. Adjournment	As there was no further business; the chair announced the meeting adjourned. The meeting was adjourned at 2:00 pm.	Adjourned	None

Submittal: The minutes of the above stated meeting are submitted for approval. _____

Secretary of Meeting

Date

Approval: Based on Committee consensus, the minutes of the above stated meeting are hereby approved as presented and/or corrected.

Committee Chair

Date



CONTRACTING POLICIES & GUIDELINES

CHAPTER 1: GENERAL INFORMATION

POLICIES

1. Contracting policies and procedures will ensure compliance with NC General Statutes, NCPC policies, and all applicable contracting requirements.
2. Contracting policies and modifications thereto must be approved by the Board of Directors.
3. Contracting procedures and modifications thereto must be approved by the President.
4. Contracting procedures must promote conducting business in a manner that complies with all applicable contracting policies.
5. Contracting policies and procedures will be reviewed and updated, as needed or every three years. ~~appropriate, annually.~~
6. Exceptions to the Board-approved policies will be thoroughly documented and approved by the President. All exceptions will be reported to the Board at the next scheduled Board meeting.
7. The Local Partnership President and/or the Local Partnership Board Chair will sign all contract documents. When only one signature is required, either the President or the Board Chair may sign. When two signatures are required, both the President and the Board Chair must sign.

CHAPTER 2: INITIAL CONTRACT WITH NCPC

POLICIES

1. The Partnership's Board of Directors will approve all activities, related budgets and revisions or amendments thereto.
2. Adequate documentation will be maintained on file to substantiate Board approval of activities and related budgets.
3. Proper files will be maintained for audit, monitoring, and accountability.

GENERAL GUIDELINES

1. The funding base for the contract available on July 1 is the prior year's budgeted level (continuation budget) or other as communicated to the LP by NCPC.
2. Activities included in the initial NCPC-LP contract and related subcontracts may include approved continuing activities from the previous year and newly approved activities from the currently effective Strategic Plan. All approved activities must be bid and the contractor selected or the activity identified as an in-house activity before they may go into contract with NCPC. Activities are considered "approved" if the current status of each activity is listed as approved in the NCPC



CONTRACTING POLICIES & GUIDELINES

- ~~Contract Data Management System (CDMS). they are designed as "fully approved" on the "approval letter" from the NCPC Planning Services Unit to the LP in late spring.~~
3. Initial Contract amounts and individual amounts must be in whole dollars.
 4. **The NCPC-LP contract, including approved new and continuing activities, must be effective and executed before subcontracts can be executed and before funds may be spent on any activity.** Programmatic approval for an activity in the Annual Plan or submitted separately from the Plan is not authorization to initiate the activity or spend funds on it.
 5. All Administrative and Services activities to be achieved with Smart Start funds at any given time must appear in the executed contract between NCPC and the LP effective at that time or in a state-level contract between NCPC and DCD and a state-level services provider. All activities subcontracted directly by the LP to be performed at a given time should appear in both the executed NCPC-LP contract effective at that time AND in an executed LP-DSP (sub)contract effective at that time. (See Chapter 3, Initial Contract with DSPs, for more information about subcontracting.)
 6. The State-Level Funding Authorization between DCD and a local DSS may contain only childcare subsidy (or subsidy supplements) and its administration. Non-subsidy-related activities performed by local DSS (or other authorized subsidy providers) cannot be included in the DCD Funding Authorization System.
 7. DSPs/Subcontractors may not themselves further subcontract without **PRIOR** approval of both the LP and the NCPC **Lead Fiscal Consulting & Contracts Specialist Accounting and Contracting Manager.**
 8. Activity budgets for LPs or Subcontractors/DSPs that include administrative "overhead" (i.e., general costs that cannot be identified to a particular project, such as utilities, copiers, and so forth) must include written details of what is covered by this charge and the methodology used to calculate the amount.
 9. **NCPC returns one (1) set of original Executed Contracts and any subsequent Contract Amendments will be retained by the** ~~to the LP for filing.~~ **to the LP for filing.** The LP may want to include the following information in ~~its~~ **its** annual NCPC-LP Contract file:
 - a. Contract Documents:
 - 1) Original Contract;
 - 2) Amendments and Revisions; and
 - 3) Board minutes denoting approval of any changes.
 - b. Financial Status Reports
 - c. Pre-Contracting section (include all that apply):
 - 1) Authorized signature information;
 - 2) Local Partnership Pre-Contracting information;
 - 3) Pre-Contracting form;
 - 4) Bonding insurance verification;
 - 5) Worker's Compensation insurance verification;
 - 6) General Liability insurance verification;
 - 7) Directors' and Officers' Liability insurance verification; and



CONTRACTING POLICIES & GUIDELINES

- 8) Outsourced Payroll Information
- d. NCPC Activity Approval Letters, Approved CADS
- e. Official Correspondence:
 - 1) Allocations;
 - 2) Reallocations; and
 - 3) Reversions;
- f. Miscellaneous Correspondence
- g. Comprehensive Budget Sheet Spreadsheet (CBS)
- 10. Initial and automatic monthly draws are deposited directly into the LP's bank account by an ACH (Automated Clearing House) transfer from NCPC. The LP is responsible for transmitting funds appropriately to subcontractors. (See Chapters 6 and 7, Financial Status Reports, Chapters 6 and 7.)

Commented [MD1]: Chapters on FSRs will be deleted from Contracts P & P

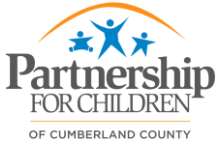
CHAPTER 3: INITIAL CONTRACT WITH DSP

POLICIES

1. The Board of Directors will approve activities for inclusion in contract and any subsequent budget revisions or amendments.
2. The LP contract with NCPC, including all activities to be subcontracted, will be executed and effective at the time contracts with the subcontractors are executed. Amounts in contract with subcontractors will reflect the amounts contracted for those same activities in the NCPC-LP contract.
3. The Local Partnership will obtain documentation affirming the identity of the DSP as a legal entity and authorization of DSP personnel signing the contract. This documentation is known as "Pre-Contracting Information."

GENERAL GUIDELINES

1. The Local Partnership (LP) will use Smart Start funding to subcontract for **only** those activities which appear in the NCPC-LP contract in effect at the time.
2. **The NCPC-LP and the applicable LP-DSP contracts, including approved new and continuing activities, will be effective and executed before funds can be spent on any subcontracted activity.** Programmatic approval for an activity in the Annual Plan or submitted separately from the Plan is **not** authorization to initiate the activity, enter into contract with a subcontractor to perform it, or to spend funds on it.
3. The funding base available to the LP on July 1 is the prior year's budgeted level (base allocation), or other as communicated to the LP by the NCPC. There is no requirement that a continuing activity be funded at the same level as it was in the previous year.



CONTRACTING POLICIES & GUIDELINES

4. Before or after approval of the LP Annual Plan, all proposed service activities must be bid out and vendors selected. The activities cannot actually go into contract prior to NCPC approval and execution of the NCPC-LP contract. (See Chapter 8, "Competitive Bidding.")
5. Activities placed in Initial Contract may include continuing activities from the previous year and newly approved activities from the currently effective Annual Plan. Newly-approved activities being put into contract with subcontractors must be bid and the contractor selected prior to the activities' being placed in the NCPC-LP contract and/or the LP-DSP contract.
6. The initial LP-DSP Contract amount will be in whole dollars.
7. Reimbursements and Initial Draws, if applicable, are sent directly to the DSP by the Local Partnership or its accounting services provider (e.g., MAC site).
8. DSPs/Subcontractors may not further subcontract without **PRIOR** approval of the LP President.

CHAPTER 4: CONTRACT AMENDMENT/REVISION: NCPC-LP CONTRACT

POLICIES

1. The Partnership's Board of Directors will approve all activities, related budgets and revisions or amendments thereto.
2. Amendments and revisions to the Smart Start contract with NCPC will be executed and effective prior to the amendment or revision of subcontracts.
3. The Partnership will comply with all grantor requirements for subcontracting.
4. Adequate documentation will be maintained on file to substantiate Board approval of activities and related budgets.
5. Proper files will be maintained for audit, monitoring, and accountability.

GENERAL GUIDELINES

1. All activities submitted for inclusion in contract must have already received approval from the NCPC **Planning Consultant Program Officer**, have been bid, and the subcontractor chosen, **as applicable**.
2. Contract changes requiring NCPC approval must receive approval and be effective prior to the expenditure of funds in accordance with the change(s).
3. Definitions:
An **Activity Budget Revision** involves movement of funds from one line item to another within a single activity budget, but the total (bottom-line) budget amount does not change.



CONTRACTING POLICIES & GUIDELINES

- a. A Contract Budget Revision involves movement of funds from one activity to another within the same contract, but the total contract amount does not change.
 - b. An Activity Budget Amendment involves an increase or decrease in the total amount (bottom-line) allocated to the activity. It may involve movement of funds between line items within the budget as well.
 - c. A Contract Amendment involves changes to the provisions, number and scope of activities, contract activity descriptions (CADs), governing effective dates, change in Direct Service Provider (DSP), or total (bottom-line) amount of funds in a given contract. This type of change requires a formal amendment to the contract.
4. Activity Budget Revisions, Contract Budget Revisions, and Activity Budget Amendments (a, b, c above) do not result in formal contract amendments unless they result in changes to the provisions, number, and/or scope of activities, activity descriptions, governing effective dates, and/or the total (bottom-line) amount of funds in a Contract. Activity scope changes must receive advance approval from NCPC.
 5. The superficial difference between Contract Amendments and other contract changes (a, b, c) is illustrated through the paperwork used to effect the changes. If a Contract Amendment is required, a formal written amendment reflecting the change(s) must be prepared and signed by authorized signatories. If no Contract Amendment is required, approval in the contracts management system and Partnership administrative records are sufficient to effect the changes.
 6. NCPC performs the amendment process only for the contracts to which it is a party: the NCPC-LP contracts with the LPs. For DCD Subsidy and WAGE\$™ contracts, NCPC notifies DCD of the need to amend its contract/funding authorization form.
 7. Movement of funds from one contract to another requires a Contract Amendment for each contract affected. The various contracts that may be affected are:
 - The annual NCPC-LP Smart Start contracts for Administration and Services;
 - The DCD Funding Authorization between DCD and the local county DSS; and
 - The DCD-CCSA contract for the WAGE\$™ program.
 8. The **maximum** time frame for NCPC to process a **complete, accurate, approvable** contract amendment or revision request is:

<u>Received by NCPC CS</u>	<u>Effective Date</u>
ii. 1 st through 15 th of month	Last day of same month
iii. 16 th through end of month	15 th day of following month

This policy was effective July 1, 2002.



CONTRACTING POLICIES & GUIDELINES

Processing at NCPC will begin upon email notification by the Partnership that a complete amendment/revision request has been entered into the Contracts **Data Management System (CDMS)**.

8. Partnerships will be required to provide justifications for changes in the **CMS CDMS** in accordance with Smart Start budget rules in effect at the time. NCPC reserves the right to change budget rules at any time. (See Attachment CHAP 4-A for current budget rules.) Further, during the review process, explanations for other line-item budget changes may be requested.
9. Service expenditures must **not** be charged to Administration. Charging service expenditures to administration would overstate actual administration costs and the percentage, which is limited to **8% 10%** of the total allocation on a statewide basis. In addition, incorrect information may be reported to the legislature.
10. The Partnership should perform a monthly review of its needs and year-to-date expenditures for each activity.
11. Under no circumstances may the total Administrative budget effective in the NCPC-Local Partnership contract be overspent.
12. Under no circumstances may the total activity budget for any Services Activity be overspent, **unless approved by NCPC.**
- ~~13. Any changes to a printed Contract or Contract Amendment require the initials of all parties to the contract.~~
14. Contract and individual activity amounts should be in whole dollars with the exception of contracts containing terminated activities.
15. Sufficient funds must be budgeted for terminated activities to cover all expenditures and any potential outstanding expenditures that will require LP Smart Start reimbursement. If funds have been spent on an activity, the budget must contain at least enough funds to cover those expenditures, even after termination of the activity.
16. If a partnership wishes to transfer Administration funds into Services, it must contact its NCPC Contracts Specialist.
17. For NCPC monitoring purposes the Partnership should maintain a file that includes the signed contract amendment forms, along with the minutes of the Board substantiating its approval.
18. State-level contracts may be held by NCPC or DCD with various subcontractors on behalf of participating partnerships. (See Section A. "Purpose," for a list of state-level contracts currently in effect.)
19. All changes to an LP's participation and funding level in a state-level contract must receive advance NCPC approval. This includes budget revisions as well as budget and contract amendments.
20. The Local Partnership must negotiate all changes with the appropriate state-level subcontractor (the local **count county** DSS or subsidy provider for DCD subsidy Funding



CONTRACTING POLICIES & GUIDELINES

Authorizations, Child Care Services Association for the DCD WAGE\$™ contract) before submitting the requested changes to NCPC.

21. Activities performed through the DCD-DSS Funding Authorizations are for direct childcare subsidies (including subsidy supplements) and their administration only. Other Smart-Start-funded activities, such as parent training, performed by local DSS agencies must be handled through LP-DSP contracts.

CHAPTER 5: CONTRACT AMENDMENT/REVISION: LP-DSP

POLICIES

1. All Budget Amendments and Contract Amendments to LP-DSP contracts must be approved in advance by the Local Partnership and by NCPC.
2. All DSP requests for changes to LP-DSP contracts must be signed by an authorized DSP signatory.
3. All contract changes, including new contracts, revisions and amendments, must be in writing and executed and formally effective before funds are spent in accordance with the change(s).
4. The time frame for the Local Partnership to process a **complete, accurate, approvable** contract amendment or revision request is submittal to LP prior to scheduled meeting of Finance Committee, **Executive Committee, or Board** ~~which normally meets on or about the third Tuesday of each month,~~ to initiate the approval process.
5. **LP approval process:**
 - a. A completed amendment/revision request form with required financial documentation is submitted by DSP to LP for review and scheduled for Finance Committee review. **If review by Finance Committee does not occur within the required timeframe, the amendment/revision request may be approved by the Executive Committee or moved directly to the Board for review.**
 - b. Upon Finance Committee approval, the amendment/revision request is forwarded to Executive and subsequently to LP Board for approval.
 - c. Any one of the Board committees can ask for additional information, can defer for later action, or can deny the request.
 - d. Advance LP Board approval is necessary for all DSP activity budget revisions.
 - e. Advance NCPC, LP Board and LP President approval is necessary for all DSP Activity Budget amendments.



CONTRACTING POLICIES & GUIDELINES

GENERAL GUIDELINES

1. All Smart Start funded activities subcontracted by the Local Partnership must be included and effective in the "Section III. Local Partnership Contracts and Grants" portion of the NCPC-LP Smart Start contract.
2. Amendments and revisions to the NCPC-LP contract must be executed and effective before dependent DSP contracts or amendments may take effect. The NCPC-LP amendments/revisions AND the LP-DSP amendments/revisions must be in effect PRIOR to incurring expenses that would exceed the current total budget amount. Failure to receive prior approval may result in non-reimbursement by NCPC.
3. Activity budgets and descriptions in the DSP contracts must be consistent with those in the NCPC-LP contract; the descriptions may have more detail in the DSP contract, but not less.
4. Each subcontracted activity may result in a separate contract between the local partnership and the DSP, or a single contract may contain multiple activities if administered by the same DSP contracting agency/organization/individual.
5. The NCPC Contracts Units will publish deadlines for submission of the final amendment and revision requests for the fiscal year.
6. Definitions (See Chapter 4.C.2 for other definitions):
 - d. Movement of funds from one contract to another requires a Contract Amendment for each contract affected. The various contracts that may be involved at the LP-DSP level are:

The various subcontracts held by the Local Partnership with its individual Direct Services Providers/Subcontractors (the local Health Dept., the local Cooperative Extension, etc.).
7. The LP will take NCPC's policy regarding contract effective dates into consideration when planning for DSP contract changes that require NCPC approval and/or amendment of the NCPC-LP contract, as shown in schedule in Chapter 4.C.6.
8. Items included on Line 35, "Other Expenses," must be explained in writing.
9. Any item on Line 44, "Contracts with Service Providers," of an activity budget must receive written approval by authorized LP staff and by NCPC.
10. Budget Revisions to Smart Start funded subcontracted activities may be approved locally by LPs. NCPC must approve them only if funds are being placed on Line 44, "Contracts with Service Providers."
11. All corrections to a written Contract or Contract Amendment require the initials of all parties to the contract.
12. Contract amounts will be in whole dollars with the exception of contracts that include terminated activities.
13. **The activity budget for any subcontracted activity will not be overspent.**



CONTRACTING POLICIES & GUIDELINES

CHAPTER 6 (Not reviewed by Contracts Coordinator):

FINANCIAL STATUS REPORTS: LP

RECOMMENDATION FROM VP OF FINANCE—DELETE THIS SECTION FROM CONTRACTS P & P; COMPARE CONTENTS/ADD TO ACCOUNTING POLICY & PROCEDURE.

POLICIES

1. FSRs will be submitted to NCPC in the form and within the timeframes specified by NCPC.
2. All Smart Start expenditures will be reported using the cash basis of accounting.
3. Proper files will be maintained for accountability and audits.

GENERAL GUIDELINES

1. FSRs provide the means for NCPC to:
 - a. Advance funds LPs;
 - b. Monitor LPs adherence to approved budget; and
 - c. Monitor cash-on-hand at LPs.
2. All advances are subject to reduction in the event of a lack of cash availability.
3. Separate FSRs are required for Administration and Services.
4. Upon execution of the initial contract, NCPC will provide each LP with an advance for Administration and Services not to exceed one (1) months' worth of the amount in contract contingent upon the availability of cash. These advances are referred to as the Initial Advances.
5. Funds for August and September will not be advanced until NCPC has received **complete and accurate** year-end documentation for the prior fiscal year.
6. Monthly expenditure reports (FSRs or Trial Balance) reflecting LP expenditures of Smart Start funds for each month must be submitted electronically to NCPC no later than the 15th of the following month, except for the last month of the fiscal year. The due date for the last month will be determined and communicated by NCPC each year.
7. Subject to NCPC approval and the availability of cash, the LP may request additional funds at any time by submitting a written justification.
8. Reimbursements/payments to LPs cannot be made after June 30th, FY end. Sufficient funds to pay for May and June expenditures must be drawn down and spent prior to FY end. The Final FSR must be submitted to NCPC in written form subsequent to the end of the contract period, accompanied by a reversion check for all Smart Start funds received but unspent as of the end of the contract period.
9. Subsequent to the Initial Advance, NCPC will process automatic monthly draws as determined by the NCPC Finance Director. These advances will be calculated as in the following example for Administration for the month of January:

A. Total Administration Budget in Contract	\$110,000	
B. Advance Prior to Current Advance		50,000



CONTRACTING POLICIES & GUIDELINES

C. Expenditures Reported to Date (<i>one-month lag</i>)	38,000
D. Cash on Hand (<i>B-C</i>)	12,000
E. Current Advance [(<i>A-B</i>)/# of months left in year (ex. 6)]	10,000
F. Total Cash After Advance (<i>D+E</i>)	22,000
G. 60-Day Advance Based on Amt. in Contract (<i>Ex2</i>)	20,000
H. Reduction in Advance Based on 60-Day Test (<i>G-F</i>)	(2,000)
I. NCPC Adjustments	0
J. Adjusted Current Advance (<i>E-H+/-I</i>)	\$ 8,000

(NCPC adjustments reflect additional cash, reduction due to lack of cash availability, etc.)

CHAPTER 7 (Not reviewed by Contracts Coordinator):

FINANCIAL STATUS REPORTS: DSP (INCLUDING INITIAL DRAWS)

RECOMMENDATION FROM VP OF FINANCE—DELETE THIS SECTION FROM CONTRACTS P & P; COMPARE CONTENTS/ADD TO ACCOUNTING POLICY & PROCEDURE

POLICIES

1. General
 - a. Funds may **not** be advanced prior to the execution of the LP-DSP contract.
 - b. Cash-on-hand of DSPs may **not** exceed 60 days’ worth of the amount in contract. Depending upon cash availability, the cash-on-hand limit may be reduced. It **cannot** be increased.
 - c. All expenditures must be reported by the DSP using the cash basis of accounting.
 - d. Reimbursements/payments to DSPs will not occur subsequent to June 30 for a prior fiscal year contract. Sufficient funds to pay for May and June expenditures **must** be drawn down by the DSP prior to the end of the fiscal year.
 - e. Reimbursements/payments to DSPs will occur only under a current year contract.

2. Financial Status Reports (FSRs)
 - a. DSP will be required to submit FSRs using the LP-approved format. (See Fiscal P&P)
 - b. DSPs must submit to the LP monthly (or at least quarterly) FSRs reflecting new monthly (or quarterly) expenditures and contract-to-date expenditures, in order to receive reimbursement.
 - c. FSRs must be completed and signed by DSP personnel. The LP will **not** complete any portion of the FSRs, with the exception of contract-identifying information, the LP column of the checklist, and information marked “For LP Use.”



CONTRACTING POLICIES & GUIDELINES

GENERAL GUIDELINES

1. The Final FSR is submitted after the end of the contract period, accompanied by a reversion check for all funds drawn down but remaining unspent at the end of the contract period. The Final FSR is marked "Final" and is processed like any other FSR, except:
 - a. For contracts for which effective periods end June 30, no funds will be advanced or reimbursed in this process;
 - b. For contracts for which effective periods end before June 30, reimbursement may be made after FSR submission and before June 30 if the final FSRs are submitted in time for reimbursement to take place.
2. The Local Partnership does not disburse cash to subcontractors in state-level contracts held on behalf of the LPs by the Division of Child Development (DCD). These payments are made by DCD directly to the DSP.
3. The LP may or may not issue advances to DSPs.

CHAPTER 8: COMPETITIVE BIDDING

POLICIES

1. The LP will comply with all legislative mandates and NCPC policies for competitive bidding for Smart Start funds.
2. Documentation substantiating compliance with all bidding requirements, both Smart Start and other grants, will be maintained for audit and monitoring purposes.

GENERAL GUIDELINES

1. According to North Carolina Session Law ~~2003-284 § 10-38.(b)~~ 2015-241 §12B.9.(e), The North Carolina Partnership for Children, Inc. and all local partnerships shall use competitive bidding practices in contracting for goods and services on contract amounts as follows:
 - a. For amounts of five thousand dollars (\$5,000) or less, the procedures specified by a written policy to be developed by the Board of Directors of the North Carolina Partnership for Children, Inc.;
 - b. For amounts greater than five thousand dollars (\$5,000) but less than fifteen thousand (\$15,000), three written quotes;
 - c. For amounts of fifteen thousand dollars (\$15,000) or more but less than forty thousand dollars (\$40,000), a request for proposal process; and
 - d. For amounts of forty thousand dollars (\$40,000) or more, request for proposal process and advertising in a major newspaper.



CONTRACTING POLICIES & GUIDELINES

Note: For purposes of evaluating the preceding thresholds, the total amount of the purchase will be considered; not each individual item being ordered. Also, orders may not be split to reduce the threshold total.

2. The following NCPC Board policies govern competitive bidding practices of NCPC and the local partnerships:
 - a. ~~For amounts equal to or less than \$3,000, routine suppliers may be used; for amounts greater than \$3,000 but no more than \$5,000, three verbal quotes must be obtained. For amounts up to \$5,000, good purchasing practices must be used. Good purchasing practices include, but are not limited to, obtaining verbal or written quotations and the use of routine suppliers.~~
 - b. NCPC and all local partnerships ~~shall~~ **must** use competitive bidding practices in contracting for ~~all goods and services, with limited exceptions, in accordance with the amounts outlined in legislation.~~ **all goods and services, with the exception of in-house program coordination and evaluation activities, in accordance with the amounts outlined in legislation.**
 - c. Multi-year bidding for on-going services may be used if the following requirements are met:
 - 1) The multi-year bidding term may not exceed three (3) years;
 - 2) The solicitation of bids or Request for Proposals (RFP) must specify that a multi-year bid is required;
 - 3) The bidder must submit annual budgets or cost proposals ending June 30th with its proposal; and
 - 4) The RFP must specify that Contracts for subsequent fiscal years in the multi-year bidding period will be executed **ONLY** after a satisfactory evaluation of performance, ~~and~~ **availability of funds is confirmed, and NCPC review and approval of proposed activities.**
 - d. The following documentation must be maintained to demonstrate full compliance with the legislation;
 - 1) Board-approved bidding policies;
 - 2) Written bidding procedures;
 - 3) List of bidders for goods and services in the amount of five thousand dollars (\$5,000) or more;
 - 4) Request for Proposals for goods and services in the amount of fifteen thousand dollars (\$15,000) or more;
 - 5) Advertisement(s) placed in a major newspaper for goods and services in the amount of forty thousand dollars (\$40,000) or more; and
 - 6) Justification for selection of vendor/contractor. (Justification for determining an activity will be delivered in house should address the issues of cost effectiveness, duplication of services, and efforts to build capacity of existing providers in the community to deliver services.)



CONTRACTING POLICIES & GUIDELINES

- 3. Unless a multi-year bidding process has been utilized, each continuing activity must be bid for each fiscal year that it is placed into contract. The competitive bidding process must be completed before activities may be placed into contract for a fiscal year.
- 4. If there are changes to an activity, the scope of the changes should be evaluated to determine whether bidding the activity again is required.
- 4.5. For responses to an RFP for a service activity (DSPs) from non-governmental agencies, the LP will perform a background check to include credit information.

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CHAPTER 9: PRIVATE GRANTS THROUGH NCPC

POLICIES

- 1. Reports will be submitted no later than the date specified by NCPC. The interim report may be submitted earlier if there is a need for remaining funds.
- 2. If the Partnership receives an NCPC-funded private grant and subcontracts the services, the NCPC-provided Grant Agreement template will be used.

GENERAL GUIDELINES

- 1. Funds will be remitted by NCPC directly to the Local Partnership (LP). If the activity is subcontracted, the LP has the responsibility to advance funds to the subcontractor and monitor the subcontracted activity and related expenditures.
- 2. Grant agreements may be for a period of more than 12 months and may span fiscal years. All funds must be spent prior to the end of the grant period unless an extension is approved in advance by NCPC.
- 3. Upon notification of the grant award, NCPC will prepare the grant documentation and send to the LP for signature.
- 4. ~~The LP must return both executed Grant Agreements to NCPC for signature and processing of the initial draw.~~
- 5. ~~One half of the total grant will be disbursed as an initial draw unless justification is provided for, and NCPC approves, disbursement of a greater amount. If allowable, an initial draw may be requested from NCPC.~~
- 6. NCPC will authorize disbursement of remaining funds ONLY upon receipt and approval of the interim financial and programmatic reports. The spending rate may impact authorization of disbursement of additional funds.
- 7. If the grant activity warrants and NCPC approves, the entire grant amount may be awarded to the LP at the beginning of the grant period. If so, the interim and final report dates will remain the same.



CONTRACTING POLICIES & GUIDELINES

8. Monthly FSRs ~~are not~~ **may or may not be** required if the LP is performing the activity. If the activity is subcontracted, the LP may require subcontractors to submit periodic (i.e., monthly, bimonthly) FSRs to the LP.
9. If the activity is subcontracted to a Direct Service Provider (DSP), the LP must require a detailed budget from the DSP, which must be approved by the LP and included in the interim/final financial reports submitted to NCPC.
10. Contingent upon the availability of funds, NCPC will annually furnish grant application information, with instructions for application, to LPs. Grant application instructions and forms are posted on **Smart Net LP Central**.
11. All budget and program revisions, including time extensions, ~~require 30-day prior approval of NCPC. The request form and any other necessary documents should be submitted to NCPC at least 30 days prior to the desired effective date.~~ **must be executed according to NCPC guidelines.**

CHAPTER 10: CASH AND IN-KIND MATCH

POLICIES

1. Cash and in-kind matching contributions will be reported to NCPC by the established due dates.
2. Adequate documentation will be maintained to substantiate all reported cash and in-kind matching contributions.

GENERAL GUIDELINES

1. State legislation requires that Smart Start raise a percentage of its annual state appropriation in matching cash and in-kind contributions. The percentage mandated is determined by each year's budget legislation.
2. Cash contributions reported for a fiscal year must have been received and deposited by the LP between July 1 and June 30 of the fiscal year. In-kind gifts must have been received between July 1 and June 30 of the fiscal year **and must be allowable in accordance with NCPC's Smart Start Program Match Manual.**
3. Cash contributions reported at the Direct Service Provider (DSP) level must have been expended between July 1 and June 30 of the fiscal year in which they are received. In-kind gifts to the DSP must have been received between July 1 and June 30 of the fiscal year **and must be allowable in accordance with NCPC's Smart Start Program Match Manual.**
4. To qualify as a cash or in-kind matching contribution, the contribution must meet the following requirements.



CONTRACTING POLICIES & GUIDELINES

- a. The match may not be funded with state dollars.
- b. **The value of each in-kind contribution must be reasonable and supported with appropriate and verifiable documentation.**
- c. At the DSP level, additional requirements include:
 - (1) The contribution must be a direct result of the Smart Start funded program. If the contribution was not generated as a result of the Smart Start activity and is just a general contribution to the organization or to another non-Smart Start activity, it should not be reported as a contribution to Smart Start. That is, a contribution that a DSP receives should not be reported as a contribution unless it will be used directly for the Smart Start activity.
 - (2) The contribution must be made to initiate or expand a Smart Start activity. If Smart Start funds are used to expand an activity rather than initiate a new one, only contributions that support the expansion effort may be counted.
 - (3) The contribution must be necessary and reasonable for the proper and efficient accomplishment of the program goals. The activity descriptions and budget in contract must be reviewed to ensure the contribution supports accomplishment of program goals.
5. Specific instruction and guidelines for cash and in-kind contributions are included in the *Cash and In-Kind Match* manual provided by the North Carolina Partnership for Children (NCPC), which is located at [Fiscal > Cumberland Accounting > Cash & In-Kind > Cash & In-Kind Manual](#). **The most recent edition should be downloaded from LP Central annually.**
6. NCPC will monitor all contributions reported by local partnership to assure compliance with this policy.

CHAPTER 11: PROFESSIONAL SERVICES CONTRACT

POLICIES

1. Invoices will be submitted to the Local Partnership by the Professional Services Contractor, with supporting documentation as required. These invoices will be paid based on Local Partnership approval. The expenditures will be reflected on the Local Partnership's FSR describing the expenditures for the particular activity. The allowed expenditure types, the maximum payment for the contract, and the payment schedule (for a fixed price rather than reimbursable contract) must be clearly specified in the Professional Services Contract.
2. Contract Amendments may take place at any time agreed upon by the participants, as long as budgetary changes and scope changes (Budget and Contract Amendments--see Chapter 4)



CONTRACTING POLICIES & GUIDELINES

that impact the entire activity budget amount are approved in advance by the funder (example: NCPC) and included in the governing NCPC- funder to LP contract.

3. The Local Partnership will not contract with any vendor who holds an account, contract, grant, Memoranda of Understanding/Agreement or other contractual obligation with the LP that is not in good standing.

GENERAL GUIDELINES

1. The LP approved Professional Services Contract template with LP needed modifications will be used.
2. This Professional Services Contract template is not to be substituted for a Direct Services Provider Contract providing a direct service activity for, or on behalf of, the Local Partnership.
3. These contracts typically require "deliverables." "Deliverables" are defined as goods and/or services that are produced under the terms of a contract. Reports are considered to be deliverables.
4. The effective period of a Professional Services Contract may span fiscal years. However, any multi-year contracts must specify that the contract will be reviewed each June 30th of the multi-year period and continued ONLY after a satisfactory evaluation of performance and confirmation of the availability of funds. The contract must also incorporate annual budgets ending June 30 of each fiscal year of the multi-year period.
5. Payment on this type of contract generally takes place in response to an invoice presented by the Professional Services Contractor rather than a standard Financial Status Report (FSR).
6. Billing may be on an expense-reimbursement basis or a payment schedule based on service delivery.
7. Funds committed through Professional Services Contracts must appear in Line 12, Contracted Services, of the relevant activity budget for LP Administration or In-House Services on the Activity Spreadsheet portion of the Comprehensive Budget Sheet (CBS) associated with the NCPC-LP contract.
8. The LP may require the Professional Services Contractor to submit supporting documentation to expenditures -- time logs, receipts for printing/binding services, meal and lodging receipts, mileage reports, and so forth, to substantiate project expenditures. The Contract will clearly address any reporting requirements—form, date, etc.
9. The amount of funding allowed for travel-related expenditures is at the LP's discretion and is determined by the LP in negotiation with the Professional Services Contractor. Such funding must be included in the contract budget.



CONTRACTING POLICIES & GUIDELINES

CHAPTER 12-1 (Not reviewed by Contract Coordinator): MONITORING OF SMART START DIRECT SERVICE PROVIDERS

Recommend removing from Contracts Policy to other policy areas that cover monitoring (Accounting/P&E)

POLICIES

1. The Partnership will ensure accountability by monitoring activities in compliance with grantor requirements.
2. Monitoring of DSPs will be adequately documented to substantiate the work performed, issues noted and resolution of issues.
3. The areas monitored may be cycled over a multi-year timeframe.
4. The President will provide periodic reports to the Board of Directors summarizing the DSPs monitored, issues and resolution of issues.
5. Issues of noncompliance that cannot be resolved through the monitoring process will be referred to the Board of Directors for determination of further action(s) to be taken.

GENERAL GUIDELINES

1. All local partnerships are required to participate in NCPC's Fiscal Accountability Plan, which requires the Partnership to develop and implement Board-approved policies and procedures for monitoring.
2. All contracts between the LP and its DSPs must include a provision that the contract is subject to monitoring by NCPC and/or the local partnership.

CHAPTER 12-2 (Not reviewed by Contract Coordinator): MONITORING OF CCR&R REGION 5 GRANTEES

Recommend removing from Contracts Policy to other policy areas that cover monitoring (Accounting/P&E)

POLICIES

1. The Partnership will ensure accountability by monitoring Region 5 Grantees in compliance with grantor requirements.
2. Monitoring of Grantees will be adequately documented to substantiate the work performed, issues noted and resolution of issues.
3. The President will provide periodic reports to the Board of Directors summarizing the Grantees, monitored issues noted and resolution of issues.
4. Issues of noncompliance that cannot be resolved through the monitoring process will be referred to the Board of Directors for determination of further action(s) to be taken



CONTRACTING POLICIES & GUIDELINES

GENERAL GUIDELINES

1. The Partnership will provide training, technical assistance and fiscal oversight/monitoring to the Grantees within Region 5.
2. All contracts between the Partnership and Grantees will specify that the contracts are subject to fiscal and program monitoring.
3. The Partnership must have access to all reports and records for transactions funded by Region 5 grant.
4. A "lead" monitor who will have primary responsibility for coordinating the monitoring process will be selected.
5. Grantees are responsible for executing specific actions. To assist, the Partnership may offer technical assistance and/or provide a list of findings and/or recommendations.
6. Monitoring will be conducted through a combination of on-site visits and desk audits, at the Partnership's discretion.
7. The Internal Control Questionnaire for the Grantee will be reviewed and updated as needed annually. The review will be documented.

CHAPTER 13: IN-HOUSE GRANTS

POLICIES

1. The Partnership will comply with all applicable legislative special provisions, NCPC policies, and other grantee requirements.
2. The Board will approve grant eligibility criteria, priorities, requirements, award maximums and ranges, and monitoring and noncompliance provisions.
3. Conflicts of interest in appearance and/or in fact will be avoided in all grants activities.
4. All budget and program revisions from the grantee, including time extensions, require PRIOR approval.
5. Grants will be disbursed in accordance with approved grant requirements and will be adequately supported by documentation.
6. Procedures for redistribution of grant materials will be developed by the President.
7. The Local Partnership will not offer a grant to any grantee that holds an account, contract, grant, Memoranda of Understanding/Agreement or other contractual obligation with the LP that is not in good standing.

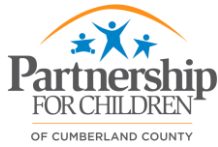
GENERAL GUIDELINES

1. The LP may award Smart Start funds to a subcontracted grantor **only** for approved grant activities included in the NCPC-LP contract. Programmatic approval for activities in the Annual Plan or for activities submitted separately from the Annual Plan **is not** authorization for the LP to initiate the activities, subcontract with grantors, or expend any grant-related funds.



CONTRACTING POLICIES & GUIDELINES

2. The LP will require the grantor to use one of the NCPC-provided grant agreement templates. (See Chapter 13 ~~Attachment CHAP 13-A~~ for a grant agreement templates.)
3. As part of the LP-DSP contracting process (see Chapter 3, "Initial Contract with DSP"), the LP will communicate expectations to the DSP regarding compliance with the following grants management principles and activities, as deemed appropriate for each subcontracted grant activity:
 - a. The grantor should have or develop policies and procedures to address the review and approval of grant applications, disbursement of grant awards, grantee reporting requirements, and monitoring of grant compliance. These policies and procedures will be reviewed and approved by the LP before distribution of a grant availability announcement. Additionally, the policies and procedures should ensure compliance with all legislative special provisions and NCPC policies.
 - b. The grantor, in all of its grants management processes, must avoid conflicts of interest in appearance and/or in fact.
 - c. The grantor must maintain a record of all applications submitted. The grantor's grant award decisions must be documented and must be available for inspection during audits, monitoring visits and as requested by others.
 - d. A written notification of award will be mailed to each approved grant recipient outlining the specific requirements of the grant.
 - e. Individuals or facilities that submitted grant applications that are not approved will be notified in writing, including reasons for denial of application. Copies of the notifications must be maintained on file by the grantor.
 - f. A notification of grant award recipients is presented to the LP by the grantor in a manner and timeframe to be specified by the LP.
 - g. An approved grant agreement between the grantor and the grantee will be in effect and executed before funds may be disbursed to the grantee. Grant awards will be disbursed in accordance with all grant requirements.
 - h. Grant agreements will be for a period of no more than 12 months and may NOT cross fiscal years. All requirements must be met as specified in the grant agreement. Some requirements may extend beyond the termination date of the grant. The grantor's grant policies and procedures will address ongoing monitoring and potential future repayment of grants for noncompliance for such grant requirements. If there are requirements that extend beyond the termination date of the LP's contract with the grantor/DSP, the LP will establish grant policies and procedures that address ongoing monitoring and potential future repayment of grants for noncompliance for such grant requirements.
 - i. Documentation to support grant disbursements will be maintained in accordance with the grantor's policies and procedures, as approved by the LP. Because the nature of the grant determines the level and type of documentation required for disbursement of grant funds, it is imperative that the LP and grantor have a clear understanding of the nature of the grant (e.g., achieving a specific goal or objective, grant requirements, maintaining a



CONTRACTING POLICIES & GUIDELINES

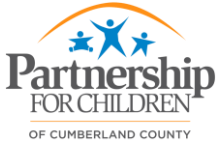
specific goal or objective, reimbursement of costs). The grantor must also ensure that grant expenditures are within the grant period.

- j. The grantor determines whether any proposed revisions to the grant activity or agreement (such as budget, programmatic or deadline changes) are within the parameters established by the LP. Any revisions requiring approval from the LP and/or NCPC must have all necessary approvals and/or amendments in place prior to implementation of the revisions.
- k. If grant funds are provided to the grantee in advance of related expenditures, the grantor must monitor grantee expenditure activity on a periodic (e.g., monthly) basis, relative to the grant agreement and funds advanced. If funds advanced are not expended properly and/or within the grant period specified in the grant agreement, the grantor must notify the grantee, in writing, of amounts to be reverted to the grantor and the deadline for reversion.
- l. The grantor may be responsible for monitoring all applicable grant requirements, and notifying the grantee if noncompliance with the grant agreement is identified. The grantor may also be responsible for following up and resolving identified noncompliance issues. Through monitoring, the LP bears the ultimate responsibility for ensuring that grant requirements are met, noncompliance issues have been identified, and all necessary follow-up and resolution has taken place.

CHAPTER 14: SUBCONTRACTED GRANTS

POLICIES

1. The grantor (DSP) may spend Smart Start funds **only** for grant activities included in the NCPC-LP contract. Any requirements related to the grants to be issued by the grantor (including, but not limited to, eligibility, dollar amounts, documentation requirements, and payment procedures) will be included as an addendum to the LP-DSP contract. (See **Attachment CHAP 3-A** for the LP-DSP contract template and **Attachment CHAP 14-A** for a contract addendum template.)
2. The LP will monitor the grantor (DSP) to verify that adequate grants management provisions are in place.
3. The LP and grantor will ensure compliance with all applicable legislative special provisions, NCPC policies, and other requirements.



CONTRACTING POLICIES & GUIDELINES

GENERAL GUIDELINES

1. The LP may award Smart Start funds to a subcontracted grantor **only** for approved grant activities included in the NCPC-LP contract. Programmatic approval for activities in the Annual Plan or for activities submitted separately from the Annual Plan **is not** authorization for the LP to initiate the activities, subcontract with grantors, or expend any grant-related funds.
2. The LP will require the grantor to use one of the NCPC-provided grant agreement templates. (See Chapter 13 ~~Attachment CHAP 13-A~~ for a grant agreement templates.)
3. As part of the LP-DSP contracting process (see Chapter 3, "Initial Contract with DSP"), the LP will communicate expectations to the DSP regarding compliance with the following grants management principles and activities, as deemed appropriate for each subcontracted grant activity:
 - a. The grantor should have or develop policies and procedures to address the review and approval of grant applications, disbursement of grant awards, grantee reporting requirements, and monitoring of grant compliance. These policies and procedures will be reviewed and approved by the LP before distribution of a grant availability announcement. Additionally, the policies and procedures should ensure compliance with all legislative special provisions and NCPC policies.
 - b. The grantor, in all of its grants management processes, must avoid conflicts of interest in appearance and/or in fact.
 - c. The grantor must maintain a record of all applications submitted. The grantor's grant award decisions must be documented and must be available for inspection during audits, monitoring visits and as requested by others.
 - d. A written notification of award will be mailed to each approved grant recipient outlining the specific requirements of the grant.
 - e. Individuals or facilities that submitted grant applications that are not approved will be notified in writing, including reasons for denial of application. Copies of the notifications must be maintained on file by the grantor.
 - f. A notification of grant award recipients is presented to the LP by the grantor in a manner and timeframe to be specified by the LP.
 - g. An approved grant agreement between the grantor and the grantee will be in effect and executed before funds may be disbursed to the grantee. Grant awards will be disbursed in accordance with all grant requirements.
 - h. Grant agreements will be for a period of no more than 12 months and may NOT cross fiscal years. All requirements must be met as specified in the grant agreement. Some requirements may extend beyond the termination date of the grant. The grantor's grant policies and procedures will address ongoing monitoring and potential future repayment of grants for noncompliance for such grant requirements. If there are requirements that extend beyond the termination date of the LP's contract with the grantor/DSP, the LP will establish grant policies and procedures that address ongoing monitoring and potential future repayment of grants for noncompliance for such grant requirements.



CONTRACTING POLICIES & GUIDELINES

- i. Documentation to support grant disbursements will be maintained in accordance with the grantor's policies and procedures, as approved by the LP. Because the nature of the grant determines the level and type of documentation required for disbursement of grant funds, it is imperative that the LP and grantor have a clear understanding of the nature of the grant (e.g., achieving a specific goal or objective, grant requirements, maintaining a specific goal or objective, reimbursement of costs). The grantor must also ensure that grant expenditures are within the grant period.
- j. The grantor determines whether any proposed revisions to the grant activity or agreement (such as budget, programmatic or deadline changes) are within the parameters established by the LP. Any revisions requiring approval from the LP and/or NCPC must have all necessary approvals and/or amendments in place prior to implementation of the revisions.
- k. If grant funds are provided to the grantee in advance of related expenditures, the grantor must monitor grantee expenditure activity on a periodic (e.g., monthly) basis, relative to the grant agreement and funds advanced. If funds advanced are not expended properly and/or within the grant period specified in the grant agreement, the grantor must notify the grantee, in writing, of amounts to be reverted to the grantor and the deadline for reversion.
- l. The grantor may be responsible for monitoring all applicable grant requirements, and notifying the grantee if noncompliance with the grant agreement is identified. The grantor may also be responsible for following up and resolving identified noncompliance issues. Through monitoring, the LP bears the ultimate responsibility for ensuring that grant requirements are met, noncompliance issues have been identified, and all necessary follow-up and resolution has taken place.

CHAPTER 15: PFC RESOURCE CENTER LEASE PAYMENT MONITORING

POLICIES

1. The LP will lease available space as approved by the Board of Directors after review and recommendation from the Facility & Tenant Committee, giving preference to like-mission, not-for-profit agencies.
2. The LP will monitor payments received from Lessees to ensure timely receipt of payments.
3. The LP will issue written notices **and impose fees** to Lessees when payments are not received in accordance with the Lease Agreement.
4. The LP will terminate leases in accordance with the Lease Agreement as outlined in established guidelines and procedures.



CONTRACTING POLICIES & GUIDELINES

GENERAL GUIDELINES

1. A Lessee shall be defined as any individual, corporation, partnership or local agency that leases space from the LP on a monthly basis for an amount specified in a duly executed Lease Agreement.
2. Lessee rental payments are due and payable, in advance, on or before the first day of each month of the lease period.
3. Lessee rental payments are considered late after a grace period that ends on the fifth day of each month for rental payments due that month.
4. The LP will assess a late fee for all Lessee rental payments not received by the end of the grace period.
5. The LP will maintain records to monitor Lessee rental payments on a minimum of a monthly basis.
6. All notices related to late Lessee rental payments will be mailed via the USPS and be Certified Mail with Return Receipt Requested. Will be emailed to the tenant.
7. All notices related to termination of lease and/or eviction proceedings will be both emailed and mailed via the USPS via Certified Mail with Return Receipt Requested.

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC.

FINANCIAL SUMMARY - WHAT YOU NEED TO KNOW

Board Responsibility

The review of the financial statements is the responsibility of the Committee and Board Members of PFC.

The detailed financial reports have been provided to you via email or via the PFC website and will be provided electronically during the meeting.

September 30, 2025

ONLY THE HIGHLIGHTED ITEMS NEED TO BE DISCUSSED.

1 Balance Sheet

- a. The cash balances; investments and liabilities are at the anticipated amounts and are sufficient for the current needs.
- b. Since all of our grants are now reimbursement-based, managing the monthly cashflow has become more critical than in the past.
- c. The County of Cumberland Family Connects grant is a reimbursement-based grant on a **quarterly basis** only.
- d. NCPC reminded the local partnerships that they are managing Smart Start cashflow differently for FY25-26.

"Historically all LPs received one and a half months' worth of the initial NCPC-LP contract amount (12.5%) as an initial advance. In recent years, NCPC would advance about one additional month's worth of the contract total each month going forward, which led to significant SS cash-on-hand for several LPs during the FY. Instead, NCPC intends to calculate monthly payments with greater consideration of LPs' reported expenditures and spending patterns. The initial advance provided in July will remain on hand with the LP for the time being to provide operational cashflow." [from NCPC's September 2025 Dollars & Sense Newsletter .]

2 Smart Start Grant [State Funds]

- a. PFC's Smart Start grant budgets are reflected at 100% of full allocation effective July 1, 2025.
- b. The total allocation for FY25-26 at 100% is \$6,832,478, including DSS and WAGES.
- c. In July 2025, PFC reverted \$68,243.04 of unspent FY24-25 Smart Start Services funds to NCPC.
PFC did not receive \$150,000 of FY24-25 funds from NCPC, and thus with the reverted funds of \$68,243.04, the total unspent is \$218,243.04.
The maximum reversion cap for Cumberland is \$214,209, which is the anticipated amount to receive back during FY25-26.

3 NC Pre-Kindergarten Grant [State and Federal Funds]

- a. PFC is in full contract with DCDEE effective July 1, 2025.
- b. The total FY25-26 contract is \$9,614,373 which consists of \$3,583,385 of federal funds and \$6,030,988 of state funds.
- c. The FY25-26 contract for NC Pre-K **administrative funds is \$17,113 less than FY24-25**, and the \$216,016 reduction from FY23-24 was not restored. The **Direct Services State funds were reduced by \$222,620 for FY25-26**.
PFC is strategizing ways to sustain this funding stream due to the additional reductions in funding.
- d. Historically this distribution of state and federal funds is amended by DCDEE before or at yearend.
- e. In September 2025, PFC received the requested advance of 1/10th of the direct services grant. The amount was \$893,197.
NC Pre-K providers with completed amendments and other requirements were paid in September 2025 for their August 2025 attendance.
- f. The single audit threshold increased from \$750,000 to \$1,000,000 effective October 1, 2024.
- g. Due to the amount of federal funds received, the Partnership **will be** audited extensively for fiscal responsibility and federal compliances, i.e. an A-133 audit since we plan to spend at least \$1,000,000 in federal funds for the fiscal year.

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC.

FINANCIAL SUMMARY - WHAT YOU NEED TO KNOW

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September 30, 2025

4 Southwestern Child Development Commission, Inc. [SWCDC] - Region 5 Grants [Federal Funds]

- a. The **Region 5 Core** grant is in contract effective July 1, 2025 through June 30, 2026.

The total grant amount is \$477,685.85 and the contract amendment was executed on August 11, 2025. There was no reduction from FY24-25.

An additional \$82,318.85 of unspent FY24-25 funds was added to the original budget amount of \$395,367 for FY25-26.

For FY25-26, the de minimus rate has increased from 10% to 15%; however, the increase in indirect funds is a result of a

decrease in direct services funds. Certain expenses such as Equipment Rental, is a direct expense that is unallowable for the 15% indirect calculation.

This grant will be bid out at the State level and PFC will await guidance if it will be renewed.

- b. The Region 5 **Birth to Three Quality [B3QI] Initiative** grant is **NOT** in contract, effective August 1, 2025 through January 31, 2026. **[6 months]**

The grant amount was previously projected to be \$51,291 for six months, down from \$166,977 for twelve months during FY24-25.

On September 12, 2025, SWCDC informed us that an additional \$11,600 of unspent FY24-25 funds will be added to the budget.

The total budget will then be \$62,891. The contract amendment for \$62,891 has not been received from SWCDC as of October 7, 2025.

Requests for reimbursement of PFC paid expenses cannot occur until the amendment is received and executed.

For FY25-26, the de minimus rate has increased from 10% to 15%; however, the increase in indirect funds is a result of a

decrease in direct services funds. Certain expenses such as Equipment Rental, is a direct expense that is unallowable for the 15% indirect calculation.

This grant will be bid out at the State level and PFC will await guidance if it will be renewed.

- c. The Region 5 **Healthy Social Behaviors [HSB]** grant is **NOT** in contract effective July 1, 2025 through December 31, 2025. **[6 months]**

The grant amount was previously projected to be \$59,521 for six months, down from \$282,743 for twelve months during FY24-25.

In September 2025, SWCDC informed us that an additional \$21,852 [\$9,000 + \$12,852] of unspent FY24-25 funds **may** be added to the budget.

The total budget will then be \$81,373. The contract amendment for \$59,521 has not been received from SWCDC as of October 7, 2025.

Requests for reimbursement of PFC paid expenses cannot occur until the amendment is received and executed.

For FY25-26, the de minimus rate has increased from 10% to 15%; however, the increase in indirect funds is a result of a

decrease in direct services funds. Certain expenses such as Equipment Rental, is a direct expense that is unallowable for the 15% indirect calculation.

This grant will be bid out at the State level and PFC will await guidance if it will be renewed.

5 All Funding Sources

- a. The cash balance at month-end is as projected and is sufficient for the requirements of the upcoming month and through the projected yearend.

Because of funding changes and limitations, the cash balance is being monitored closer before expenditures are paid.

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC.

FINANCIAL SUMMARY - WHAT YOU NEED TO KNOW

Board Responsibility

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The detailed financial reports have been provided to you via email or via the PFC website and will be provided electronically during the meeting.*

September 30, 2025

6 Unrestricted Revenues (USR) - Fund 208

- a. The goal is to continue to use these funds only when other funding streams cannot be used or are not available.
- b. The funds and interest earned from the redeemed Lumbee Bank CD#6 were deposited into the PFC Bank of America operating account until a time when the funds can be transferred to the Morgan Stanley E-Trade account, as approved by Board in June 2025.
- c. The cash equivalent balances in Fund 208 consists of the following at the end of the month:

PNC Bank Money Market Account	5,645.37	<i>Does not include interest earned in Fund 899. Funds of \$96,563.69 were transferred from this account to the Operating Account for the construction loan payments.. Both the interest earned [\$32,117.79] and the cash balance [\$64,445.90] were affected.</i>
First Bank Money Market Account	100,000.00	<i>New account opened on November 27, 2023.</i>
Morgan Stanley E*TRADE Account	118,000.00	<i>Gains/Losses are not reflected in the financial statements</i>
	223,645.37	

Interest Earned - Fund 899	
PNC Bank Money Market	1,107.77
First Bank Money Market	5,650.03
	6,757.80

Investments - Fund 208	223,645.37
Interest Earned - Fund 899	6,757.80
TOTAL INVESTMENTS PLUS INTEREST	230,403.17

- d. There is currently NOT a **negative** balance in the operating funds portion of the USR funding stream for the current fiscal year. Funds of \$64,445.90 were transferred on June 23, 2025 from the PNC Money Market [Fund 208] for the construction loan payments. As expenditures are realized that are in excess of the current cash balance, Management will transfer additional funds as deemed necessary.

7 Cash and In-kind Report

- a. The 19% match requirement reflected on the monthly report is reflected at 100% of the full allocation, and **does** include the prior year reverted funds maximum amount [\$214,209].
- b. PFC's Leadership Team, staff and Board members will continue to discuss and implement strategies to meet our match requirement.
- c. PFC did not meet the 19% match requirement for FY2425, FY2324, FY2223, FY2122, FY2021, FY1920, FY1819, FY1718 nor for FY1617.
- d. Since the 19% required match was not met for the FY ended June 30, 2025, there will be no contribution to the PFC endowment.
- e. Income from **fundraisers** are to be reflected at the net amount only and after the event is over. Therefore, receipts from sponsors and donors will not be reported for Cash and In-kind purposes until such time.
- f. Income from the City of Fayetteville's federal ARPA grant for Family Connects and Workforce Development are allowable for Smart Start cash and in-kind purposes. The amount is anticipated to be up to \$344,615 for FY25-26.
- g. Income from the County of Cumberland's local government grant for Family Connects is allowable for Smart Start cash and in-kind purposes. The amount is anticipated to be \$300,000 for FY25-26.

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC.

FOOTNOTES FOR FINANCIAL REPORTS

September 30, 2025

FOOTNOTES - BALANCE SHEET

A. The cash accounts at September 30, 2025 total \$2,267,714.81.

- Included in the cash balance amount are the following investment vehicles:

Description	Investment Type	Current Amount – CASH BASIS	Term (months)	Maturity Date	Interest Rate	Annual Percentage Yield
PNC Bank	Money Market	\$6,753.14	n/a	n/a	n/a	2.78%
First Bank	Money Market	\$105,650.03	n/a	n/a	3.50%	3.56%
Morgan Stanley	E*TRADE	\$118,000.00	n/a	n/a	n/a	n/a
Cumberland Community Foundation	Beneficial Interest in Endowment Fund	\$31,384.00	n/a	n/a	n/a	n/a
TOTAL		\$261,787.17				

B. Employees’ payroll deductions at September 30, 2025 from the current month and from prior months total (\$736.13). The pre-funded amounts of \$8,700 for HRA and \$741 for FSA for the 2025-2026 plan year were drafted by Blue Cross and Blue Shield on May 28, 2025. These amounts were reimbursed to PFC on September 22, 2025. The employee withholding accounts are reconciled on a monthly basis and at yearend to ensure that the correct amounts are being accounted for as required by NCPC.

FOOTNOTES - BALANCE SHEET

September 30, 2025

- C. Per Board approval, an endowment fund was established on June 29, 2012 with the Cumberland Community Foundation, Inc. with an initial amount of \$25,000.00. Since this amount is an irrevocable gift of assets, it is classified as a permanently restricted net asset for accounting purposes. It is also classified as a "Beneficial Interest in Community Foundation" in the Assets section of the Balance Sheet.

NCPC defines permanently restricted net assets as "used to classify assets that have donor-imposed stipulations that neither expire with time nor can be fulfilled or removed by actions of the organization. An example would be an endowment fund whereby the principal is maintained for investment purposes and the interest earnings may be available for use. This FASB code is rarely used."

Additional funds totaling \$4,732.00 was added to the endowment as of June 30, 2013. The Partnership made an additional deposit of \$768.00 to the endowment in September 2014. The Partnership also made an additional deposit of \$666.00 to the endowment in July 2015. During January 2016, additional deposits totaling \$218.00 were received for the endowment. This amount was transferred to the Foundation in February 2016. The total contributions from the Partnership to the endowment, including these funds, are now a total of \$31,384.00. There were no additional funds added to this endowment during the 2016-2017 fiscal year, through the current date.

FOOTNOTES - SMART START GRANT SPREADSHEET

SERVICES (In-House Activities): The Smart Start funds for all of the Services budgets were in contract at 100% as of July 1, 2025.

DIRECT SERVICE PROVIDERS: The Smart Start funds for the Direct Service Providers (DSPs) budgets were in contract at 100% as of July 1, 2025.

ADMINISTRATION: The Smart Start funds for the Administration budget were in contract at 100% as of July 1, 2025.

Partnership for Children of Cumberland County, Inc.
Balance Sheet
9/30/2025

Assets

Bank of America Checking Account	\$ 2,002,520.88	} A
First Bank - [for construction transactions]	3,006.76	
PNC Bank - Money Market Reserve	6,753.14	
First Bank - Money Market Reserve	105,650.03	
Morgan Stanley E*TRADE Account	118,000.00	
Petty Cash, Change Funds, Undeposited Receipts	400.00	
Beneficial Interest in Community Foundation	31,384.00	
Total Assets	2,267,714.81	

Liabilities and Net Assets

Forfeited FSA and HRA Pre-Funding	(654.41)	} B
Health Insurance Payable	0.09	
Flex-Spending Payable	3,110.05	
AFLAC Payable	0.23	
Supplemental Life Insurance	(1,581.48)	
Legal Shield Payable	(138.35)	
Tenant Security Deposits	30,060.03	
Unrestricted Net Assets	707,038.26	
Temporarily Restricted Net Assets	56,437.00	
Permanently Restricted Net Assets	31,384.00	C
Excess Revenues over (under) Expenditures	1,442,059.39	
Total Liabilities and Net Assets	\$ 2,267,714.81	

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC. - SMART START GRANT - FY 2025 - 2026

FY 25/26 SMART START 100% ALLOCATION [INCLUDING prior year Carry Forward]	\$6,832,478
TOTAL ALLOCATION FOR ADMINISTRATION ----->	\$425,611
FY 25/26 Smart Start Admin Base Allocation	\$397,185
FYE22 & FYE23 New Recurring Funds :	\$28,426
TOTAL ALLOCATION FOR SERVICES ----->	\$6,406,867
FY 25/26 Smart Start Services Base Allocation	\$6,175,862
Carryforward SERVICES Funds from FY24/25 to be used in FY25/26 [Effective xx-xx-2025]	\$0
FYE22 & FYE23 New Recurring Funds :	\$231,005

AS OF September 30, 2025

Only items highlighted in Yellow will be discussed.

If monthly spending was equal, at month-end, the percentages should be:

		EXPENDITURES									
Activity	Agency	7/1/2025 Budget	Advances	July	August	September	Y-T-D	Remaining Budget	AS OF September 30, 2025		
									% of Budget Expended	% of Available Funds	
Early Care & Education Subsidy - TANF Only											
1	Subsidized Child Care	Dept. of Social Services	\$ 2,531,000.00		\$ 311,882.00	\$ 281,479.00	\$ 231,020.00	\$ 824,381.00	\$ 1,706,619.00	33%	67%
2	Child Care Scholarships	Fayetteville Tech. Com. College	\$ 318,000.00		\$ -	\$ -	\$ 28,564.52	\$ 28,564.52	\$ 289,435.48	9%	91%
	ECE Subsidy TANF Total:		44%	\$ 2,849,000.00	\$ -	\$ 311,882.00	\$ 281,479.00	\$ 259,584.52	\$ 852,945.52	\$ 1,996,054.48	30%
	Minimum of 39% Required										
Early Care & Education Subsidy - Administration											
3	Subsidy Support Staff	Dept. of Social Services	\$ 176,000.00		\$ -	\$ -	\$ -	\$ -	\$ 176,000.00	0%	100%
4	Child Care Scholarship - Admin Support	Fayetteville Tech. Com. College	\$ 58,885.00		\$ -	\$ -	\$ 9,281.49	\$ 9,281.49	\$ 49,603.51	16%	84%
	ECE Subsidy Support Total		4%	\$ 234,885.00	\$ -	\$ -	\$ 9,281.49	\$ 9,281.49	\$ 225,603.51	4%	
Early Care & Education Quality & Affordability											
5	CCR&R - Core Services	IH Partnership for Children	\$ 805,785.00		\$ 53,974.87	\$ 55,419.40	\$ 61,030.98	\$ 170,425.25	\$ 635,359.75	21%	79%
6	WAGES	Child Care Svcs. Association	\$ 565,000.00		\$ -	\$ 129,031.28	\$ 53,200.00	\$ 182,231.28	\$ 382,768.72	32%	68%
7	CCR&R - Lending Library	IH Partnership for Children	\$ 76,600.00		\$ 3,479.40	\$ 4,209.85	\$ 3,128.64	\$ 10,817.89	\$ 65,782.11	14%	86%
	ECE Quality Total:		23%	\$ 1,447,385.00	\$ -	\$ 57,454.27	\$ 188,660.53	\$ 117,359.62	\$ 363,474.42	\$ 1,083,910.58	25%
	Minimum of 70% Total Required		74%								
Health and Safety											
8	Child Care Health Consultant	Cumberland County Health Department	\$ 199,340.00	\$ -	\$ 7,683.46	\$ 22,813.92	\$ 15,700.33	\$ 46,197.71	\$ 153,142.29	23%	77%
9	Family Connects	IH Partnership for Children	\$ 647,357.00	\$ -	\$ 18,674.19	\$ 61,383.16	\$ 72,234.38	\$ 152,291.73	\$ 495,065.27	24%	76%
	Health & Safety Total:		10%	\$ 846,697.00	\$ -	\$ 26,357.65	\$ 84,197.08	\$ 87,934.71	\$ 198,489.44	\$ 648,207.56	23%

PARTNERSHIP FOR CHILDREN OF CUMBERLAND COUNTY, INC. - SMART START GRANT - FY 2025 - 2026

FY 25/26 SMART START 100% ALLOCATION [INCLUDING prior year Carry Forward]	\$6,832,478
TOTAL ALLOCATION FOR ADMINISTRATION ----->	\$425,611
FY 25/26 Smart Start Admin Base Allocation	\$397,185
FYE22 & FYE23 New Recurring Funds :	\$28,426
TOTAL ALLOCATION FOR SERVICES ----->	\$6,406,867
FY 25/26 Smart Start Services Base Allocation	\$6,175,862
Carryforward SERVICES Funds from FY24/25 to be used in FY25/26 [Effective xx-xx-2025]	\$0
FYE22 & FYE23 New Recurring Funds :	\$231,005

AS OF September 30, 2025

Only items highlighted in Yellow will be discussed.

If monthly spending was equal, at month-end, the percentages should be:

	Activity	Agency	7/1/2025 Budget	Advances	EXPENDITURES				Remaining Budget	AS OF September 30, 2025	
					July	August	September	Y-T-D		25% % of Budget Expended	75% % of Available Funds
Family Support											
10	Kaleidoscope Play and Learn	IH Partnership for Children	\$ 42,000.00	\$ -	\$ 614.16	\$ 619.96	\$ 922.15	\$ 2,156.27	\$ 39,843.73	5%	95%
11	Community Engagement & Resource Development	IH Partnership for Children	\$ 589,100.00	\$ -	\$ 28,716.97	\$ 37,688.33	\$ 46,215.45	\$ 112,620.75	\$ 476,479.25	19%	81%
12	Dolly Parton Imagination Library - RETURNED AS A DSP at 07-01-25	United Way of Cumberland County, Inc.	\$ 10,000.00	\$ -	\$ 880.00	\$ 1,991.00	\$ 1,980.00	\$ 4,851.00	\$ 5,149.00	49%	51%
	Family Support Total:		10% \$ 641,100.00	\$ -	\$ 30,211.13	\$ 40,299.29	\$ 49,117.60	\$ 119,628.02	\$ 521,471.98	19%	
System Support											
13	P&E - Planning & Evaluation	IH Partnership for Children	\$ 387,800.00		\$ 19,656.60	\$ 21,866.86	\$ 27,488.41	\$ 69,011.87	\$ 318,788.13	18%	82%
	System Support Total:		6% \$ 387,800.00	\$ -	\$ 19,656.60	\$ 21,866.86	\$ 27,488.41	\$ 69,011.87	\$ 318,788.13		
	Total of Approved SERVICES Projects:		\$ 6,406,867.00	\$ -	\$ 445,561.65	\$ 616,502.76	\$ 550,766.35	\$ 1,612,830.76	\$ 4,794,036.24		
14	Administration	IH Partnership for Children	7% \$ 425,611.00	\$ -	\$ 45,957.75	\$ 24,001.96	\$ 29,968.17	\$ 99,927.88	\$ 325,683.12	23%	77%
	Total Administration		\$425,611.00				\$ -				
	Unallocated Smart Start SERVICES Funds		\$ -								
	Unallocated Smart Start ADMINISTRATION Funds		\$ -								
	Total Smart Start Funds Expended				\$ -	\$ 491,519.40	\$ 640,504.72	\$ 580,734.52	\$ 1,712,758.64		
									Total Allocated Smart Start Funds Remaining		\$ 5,119,719.36

Partnership for Children of Cumberland County, Inc. - NC PRE-KINDERGARTEN GRANT

Fiscal Year 2025 / 2026

LEGEND	
09/30/2025	Internal Budget Adjustments
	Budget Increases per Amendment #

FY 25/26 Revenues per Contract	
\$ 8,931,970	NC Pre-k Grant Payments to Providers [Fund 206, Fund 210, Fund 319]
\$ -	NC Pre-k GEER Payments to Providers [Fund 336]
\$ 174,963	2% CCDF Quality/Admin Funds [Fund 328]
\$ -	2% CCDF ARPA Admin Funds [Fund 314]
\$ 507,440	6% Administrative Funds [Fund 211]
\$ 9,614,373	Total NC Pre-k Grant

as of SEPTEMBER 2025	
SHOULD BE	
25%	75%

		FY 25/26 Budget						Remaining	% of	% of
Activity		09/30/2025	July	August	September	Y-T-D	Budget	Budget Expended	Available Funds	
211	3323-999 Administrative Operations	\$159,440	\$ 11,151.84	\$ 11,480.86	\$ 17,468.64	\$ 40,101.34	\$ 119,338.66	25%	75%	
	3323-001 CCR&R - Core	\$80,000	\$ 2,967.77	\$ 8,870.47	\$ 10,474.09	\$ 22,312.33	\$ 57,687.67	28%	72%	
	3323-017 NC Pre-k Coordination (In-Direct)	\$268,000	\$ 17,495.02	\$ 22,666.30	\$ 19,330.78	\$ 59,492.10	\$ 208,507.90	22%	78%	
	Fund 211 Sub-Total	\$ 507,440.00	\$ 31,614.63	\$ 43,017.63	\$ 47,273.51	\$ 121,905.77	\$ 385,534.23	24%	76%	
206	2342-015 NC Pre-k Subsidy (Direct - Child Reimbursement) - State Funds	\$688,756	\$ -	\$ -	\$ -	\$ -	\$ 688,756.00	0%	100%	
	2348-015 NC Pre-K Non-TANF/CCDF - State Funds	\$254,745	\$ -	\$ -	\$ -	\$ -	\$ 254,745.00	0%	100%	
	Fund 206 Sub-Total	\$ 943,501.00	\$ -	\$ -	\$ -	\$ -	\$ 943,501.00	0%	100%	
210	2342-015 NC Pre-k Subsidy (Direct - Child Reimbursement) - State Funds	\$3,343,434	\$ -	\$ -	\$ -	\$ -	\$ 3,343,434.00	0%	100%	
	2348-015 NC Pre-K Non-TANF/CCDF - State Funds	\$1,236,613	\$ -	\$ -	\$ -	\$ -	\$ 1,236,613.00	0%	100%	
	Fund 210 Sub-Total	\$ 4,580,047.00	\$ -	\$ -	\$ -	\$ -	\$ 4,580,047.00	0%	100%	
319	2342-015 NC Pre-k Subsidy TANF (Direct - Child Reimbursement) - Federal Funds	\$2,726,738	\$ -	\$ -	\$ 374,599.00	\$ 374,599.00	\$ 2,352,139.00	14%	86%	
	2348-015 NC Pre-K Non-TANF/CCDF - Federal Funds	\$681,684	\$ -	\$ -	\$ 102,098.00	\$ 102,098.00	\$ 579,586.00	15%	85%	
	Fund 319 Sub-Total	\$ 3,408,422.00	\$ -	\$ -	\$ 476,697.00	\$ 476,697.00	\$ 2,931,725.00	14%	86%	
328	3323-017 NC Pre-K CCDF Quality Funds-ADMIN-Federal Funds	\$116,000	\$ 9,165.49	\$ 10,913.49	\$ 10,797.81	\$30,876.79	\$85,123.21	27%	73%	
328	3323-999 NC Pre-K CCDF Quality Funds-Administrative Operations	\$58,963	\$ 6.48	\$ 10,000.00	\$ 5,000.00	\$ 15,006.48	\$ 43,956.52	25%	75%	
	Fund 328 Sub-Total	\$ 174,963.00	\$ 9,171.97	\$ 20,913.49	\$ 15,797.81	\$ 45,883.27	\$ 129,079.73	26%	74%	

Total Budget Remaining \$ 8,969,886.96

Partnership for Children of Cumberland County, Inc. - NC PRE-KINDERGARTEN GRANT

Fiscal Year 2025 / 2026

LEGEND	
09/30/2025	Internal Budget Adjustments
	Budget Increases per Amendment #

FY 25/26 Revenues per Contract	
\$ 8,931,970	NC Pre-k Grant Payments to Providers [Fund 206, Fund 210, Fund 319]
\$ -	NC Pre-k GEER Payments to Providers [Fund 336]
\$ 174,963	2% CCDF Quality/Admin Funds [Fund 328]
\$ -	2% CCDF ARPA Admin Funds [Fund 314]
\$ 507,440	6% Administrative Funds [Fund 211]
\$ 9,614,373	Total NC Pre-k Grant

as of SEPTEMBER 2025	
SHOULD BE	
25%	75%

Activity	FY 25/26 Budget				Remaining Budget	% of Budget Expended	% of Available Funds
	09/30/2025	July	August	September			

Unallocated NC Pre-k Revenues	\$ -				
Total NC Pre-k Grant Expended		\$ 40,786.60	\$ 63,931.12	\$ 539,768.32	\$ 644,486.04
Total State Funds	\$ 6,030,988.00				
Total Federal Funds	\$ 3,583,385.00				
Total NC Pre-K Grant	\$ 9,614,373.00				

Partnership for Children of Cumberland County, Inc.

Region 5 DCDEE Lead Agency Grant Fiscal Year 2025 - 2026

TOTAL FY 2025 - 2026 REGION 5 LEAD AGENCY ALLOCATION **\$477,685.85**

FY 2025 - 2026 15% Overhead / Administration Allocation **\$56,604.04**

FY 2025 - 2026 Program/Services Allocation **\$421,081.81**

			EXPENDITURES					as of September 30, 2025			
			07/01/25					25%	75%		
FUND	PSC	AC	Activity	Budget	July	August	September	Y-T-D	Remaining Budget	% of Budget Expended	% of Available Funds
307	3104	001	Region 5 Lead Agency - Core Services	\$ 358,855.81	\$ 20,650.11	\$ 22,188.08	\$ 22,482.81	\$ 65,321.00	\$ 293,534.81	18%	82%
			12M Extension GRANT ENDS JUNE 30, 2026								
307	3104	196	Core Services - 15% Overhead/Administration for CCR&R	\$ 1,235.00	\$ 23.47	\$ 371.25	\$ 13.67	\$ 408.39	\$ 826.61	33%	67%
307	9100	196	Core Services - 15% Overhead/Administration for Admin Ops	\$ 55,369.04	\$ 10.38	\$ 6,003.55	\$ 3,324.60	\$ 9,338.53	\$ 46,030.51	17%	83%
307	3104	301	Contracts & Grants - Anson County	\$ 9,954.00		\$ -	\$ -	\$ -	\$ 9,954.00	0%	100%
307	3104	303	Contracts & Grants - Montgomery County	\$ 8,345.00	\$ -	\$ -	\$ -	\$ -	\$ 8,345.00	0%	100%
307	3104	304	Contracts & Grants - Moore County	\$ 29,399.00	\$ -	\$ -	\$ -	\$ -	\$ 29,399.00	0%	100%
307	3104	305	Contracts & Grants - Richmond County	\$ 14,528.00	\$ -	\$ -	\$ -	\$ -	\$ 14,528.00	0%	100%
				\$ 477,685.85	\$ 20,683.96	\$ 28,562.88	\$ 25,821.08	\$ 75,067.92	\$ 402,617.93	16%	84%
									Total Allocated DCD Funds Remaining	\$ 402,617.93	
Summary for 15% Overhead / Administration			PFC	\$ 56,604.04	\$ 33.85	\$ 6,374.80	\$ 3,338.27	\$ 9,746.92	\$ 46,857.12	17%	83%

Partnership for Children of Cumberland County, Inc.

LEGEND	Internal Budget
--------	-----------------

TOTAL ALLOCATION FOR ONLY THE BIRTH TO THREE QUALITY INITIATIVE **\$0.00**

15% Overhead / Administration Allocation **\$0.00**

Program/Services Allocation **\$0.00**

as of September 30, 2025
33% 67%

FUND	PSC	AC	Activity	Budget							Y-T-D	Remaining Budget	% of Budget Expended	% of Available Funds		
				8/1/2025	August	September	October	November	December	January						
312	3104	001	Region 5 Birth To Three Quality Initiative [formerly Infant Toddler Project]		Contract Year for this grant runs from August 1, 2025 thru January 31, 2026	\$ -	\$ 10,464.16	\$ 9,854.17	\$ -	\$ -	\$ -	\$ -	\$ 20,318.33	\$ (20,318.33)	#DIV/0!	#DIV/0!
312	3104	196	Birth to Three Quality Initiative - 15% Overhead/Administration for CCR&R			\$ -	\$ 33.77	\$ 116.32	\$ -	\$ -	\$ -	\$ -	\$ 150.09	\$ (150.09)	#DIV/0!	#DIV/0!
312	9100	196	Birth To Three Quality Initiative - 15% Overhead/Administration for Admin Ops			\$ -	\$ (48.77)	\$ 2,943	\$ -	\$ -	\$ -	\$ -	\$ 2,894.25	\$ (2,894.25)	#DIV/0!	#DIV/0!
						\$ -	\$ 10,449.16	\$ 12,913.51	\$ -	\$ -	\$ -	\$ -	\$ 23,362.67	\$ (23,362.67)	#DIV/0!	#DIV/0!

Partnership for Children of Cumberland County, Inc.

TOTAL - REGION 5 LEAD AGENCY ALLOCATION \$0.00

15% Overhead / Administration Allocation \$0.00

Program/Services Allocation \$0.00

FUND	PSC	AC	Activity	07/01/25 Budget	EXPENDITURES						Remaining Budget	as of September 30, 2025			
					July	August	September	October	November	December		Y-T-D	% of Budget Expended	% of Available Funds	
313	3104	001	Region 5 Healthy Social Behaviors Project	\$ -	\$ 11,396.30	\$ 10,722.02	\$ 10,384.25	\$ -	\$ -	\$ -	\$ 32,502.57	\$ (32,502.57)	#DIV/0!	#DIV/0!	
			6m Extension GRANT July 1, 2025 through December 31, 2025												
313	3104	196	Healthy Social Behavior - 15% Overhead/Administration for CCR&R	\$ -	\$ (6.66)	\$ 352.25	\$ 150.10	\$ -	\$ -	\$ -	\$ 495.69	\$ (495.69)	#DIV/0!	#DIV/0!	
313	9100	196	Healthy Social Behavior - 15% Overhead/Administration for Admin Ops	\$ -	\$ 5.24	\$ -	\$ 4,318.75	\$ -	\$ -	\$ -	\$ 4,323.99	\$ (4,323.99)	#DIV/0!	#DIV/0!	
				\$ -	\$ 11,394.88	\$ 11,074.27	\$ 14,853.10	\$ -	\$ -	\$ -	\$ 37,322.25	\$ (37,322.25)	#DIV/0!	#DIV/0!	
Total Allocated DCD Funds Remaining											\$ (37,322.25)				
Summary for 15% Overhead / Administration				PFC	\$ -	\$ (1.42)	\$ 352.25	\$ 4,468.85	\$ -	\$ -	\$ -	\$ 4,819.68	\$ (4,819.68)	#DIV/0!	#DIV/0!

Partnership for Children of Cumberland County, Inc.

All Funding Sources
Fiscal Year 2025 - 2026

ONLY THE HIGHLIGHTED FUNDING STREAMS NEED TO BE DISCUSSED.

FUND CODE		July 1, 2025 Beginning Cash Balance	Receipts				Expenditures				Ending Cash Balance
			July	August	September	YTD	July	August	September	YTD	
RESTRICTED FUNDS											
NC PRE-KINDERGARTEN FUNDS											
206	NC Pre-K Grant - State Funds (per child) FROM FY22-23	\$ 56,437.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,437.00
206	NC Pre-K Grant - State Funds (per child)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
210	NC Pre-K Expansion Grant - Lottery Funds - STATE FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
211	NC Pre-K Grant - 4% Admin Fees	\$ -	\$ 31,614.63	\$ 37,117.63	\$ 68,732.26	\$ 31,614.63	\$ 43,017.63	\$ 47,273.51	\$ 121,905.77	\$ (53,173.51)	
319	NC Pre-K Grant (per slot) - Federal Funds	\$ -	\$ -	\$ 727,735.00	\$ 727,735.00	\$ -	\$ -	\$ 476,697.00	\$ 476,697.00	\$ 251,038.00	
319	1/10 CASH ADVANCE from DCDEE - NC Pre-K Grant	\$ -	\$ -	\$ 893,197.00	\$ 893,197.00	\$ -	\$ -	\$ -	\$ -	\$ 893,197.00	
328	NC Pre-K Grant CCDF Quality Funds-Federal Funds	\$ -	\$ 9,171.97	\$ 10,913.49	\$ 20,085.46	\$ 9,171.97	\$ 20,913.49	\$ 15,797.81	\$ 45,883.27	\$ (25,797.81)	
	Sub-total for NC Pre-K	\$ 56,437.00							Sub-total	\$ 1,121,700.68	
FEDERAL RESTRICTED FUNDS											
307	DCD Grant - SWCDC	\$ (63,923.34)	\$ 25,344.26	\$ 62,318.17	\$ -	\$ 87,662.43	\$ 20,683.96	\$ 28,562.88	\$ 25,821.08	\$ 75,067.92	\$ (51,328.83)
312	Region 5 - Birth to 3 [Infant/Toddler] 08/01/2025 - 01/31/2026	\$ (32,311.30)	\$ 17,849.65	\$ 26,714.66	\$ -	\$ 44,564.31	\$ 12,301.78	\$ 10,449.16	\$ 12,913.51	\$ 35,664.45	\$ (23,411.44)
313	Region 5 - Healthy Social Behavior 07/01/2025 - 12/31/2025	\$ (36,884.71)	\$ 20,542.56	\$ 16,342.15	\$ -	\$ 36,884.71	\$ 11,394.88	\$ 11,074.27	\$ 14,853.10	\$ 37,322.25	\$ (37,322.25)
335 - YEAR 2	Region 5 - Family Child Care Project [02/15/2024 - 06/30/2025] NOT RENEWING AFTER 06-30-2025	\$ (17,627.31)	\$ 10,475.52	\$ 7,151.79	\$ -	\$ 17,627.31	\$ -	\$ -	\$ -	\$ -	
333	FEDERAL - City of Fayetteville ARPA Grant \$400,000 Revenue Replacement [12/01/2024 - 12/30/2026]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.97	\$ 77,547.03	\$ 682.00	\$ 78,232.00	\$ (78,232.00)
334	FEDERAL - City of Fayetteville CDBG Grant \$250,000 for Phase III [06/15/2023 - 06/30/2026]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440.00	\$ -	\$ 440.00	\$ (440.00)
807	Region 5 - Program Income	\$ -	\$ 150.00	\$ 598.75	\$ 160.00	\$ 908.75	\$ 1.63	\$ -	\$ 113.39	\$ 115.02	\$ 793.73
	Sub-total for Federal Restricted	\$ (150,746.66)							Sub-total	\$ (189,940.79)	
SMART START AND RELATED FUNDS											
157	Smart Start - Admin. (FY 24/25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (237.16)	\$ 237.16	\$ -	\$ -	\$ -
158	Smart Start - Services (FY 24/25)	\$ 68,243.04	\$ -	\$ -	\$ -	\$ -	\$ 66,820.08	\$ 1,422.96	\$ -	\$ 68,243.04	\$ -
159	Smart Start - Admin. (FY 25/26)	\$ -	\$ 53,201.00	\$ 64,341.00	\$ 3,757.00	\$ 121,299.00	\$ 45,957.75	\$ 24,001.96	\$ 29,968.17	\$ 99,927.88	\$ 21,371.12
160	Smart Start - Services (FY 25/26)	\$ -	\$ 391,858.00	\$ 175,163.00	\$ 326,416.00	\$ 893,437.00	\$ 125,116.19	\$ 188,871.02	\$ 233,833.93	\$ 547,821.14	\$ 345,615.86
201	MAC SS Grant (Acting/Contracting)	\$ -	\$ -	\$ 26,740.00	\$ -	\$ 26,740.00	\$ 7,592.56	\$ 10,454.60	\$ 7,685.46	\$ 25,732.62	\$ 1,007.38
801	Program Income (SS Related)	\$ 69,101.08	\$ 4,581.85	\$ 5,301.85	\$ 5,662.15	\$ 15,545.85	\$ 116.01	\$ 143.43	\$ 151.17	\$ 410.61	\$ 84,236.32
	Sub-total for Smart Start & Related	\$ 137,344.12							Sub-total	\$ 452,230.68	

Partnership for Children of Cumberland County, Inc.

All Funding Sources
Fiscal Year 2025 - 2026

ONLY THE HIGHLIGHTED FUNDING STREAMS NEED TO BE DISCUSSED.

FUND CODE	July 1, 2025 Beginning Cash Balance	Receipts				Expenditures				Ending Cash Balance	
		July	August	September	YTD	July	August	September	YTD		
TEMPORARILY RESTRICTED FUNDS - RESTRICTED FOR TIME OR PURPOSE TO SPEND FUNDS											
401	County of Cumberland (FY25/26)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Sub-total for Temporarily Restricted	\$ -							Sub-total	\$ -	
UNRESTRICTED FUNDS or NO RESTRICTION OF TIME TO SPEND FUNDS											
208	Unrestricted Revenues - For Operating Purposes	\$ 43,535.44	\$ 223,948.29	\$ -	\$ -	\$ 223,948.29	\$ 7,954.07	\$ 7,954.07	\$ 7,954.07	\$ 23,862.21	\$ 243,621.52
	Unrestricted Revenues - Invested in CDs and Money Market Account	\$ 447,593.66	\$ (223,948.29)	\$ -	\$ -	\$ (223,948.29)	\$ -	\$ -	\$ -	\$ -	\$ 223,645.37
501	Individual Gifts & Donations	\$ 155,703.76	\$ 1,715.33	\$ 566.56	\$ 5,198.53	\$ 7,480.42	\$ 1.68	\$ 7.29	\$ 31.60	\$ 40.57	\$ 163,143.61
515	Vending Machine Commissions	\$ 216.89	\$ 220.72	\$ -	\$ 208.28	\$ 429.00	\$ -	\$ -	\$ 27.05	\$ 27.05	\$ 618.84
802	PFCRC II (Non-Smart Start)	\$ (103,016.30)	\$ 16,907.21	\$ 15,575.14	\$ 17,257.50	\$ 49,739.85	\$ 3,557.60	\$ 12,542.21	\$ 12,679.52	\$ 28,779.33	\$ (82,055.78)
805	Misc. Unrestricted Revenue [currently cash back from Mastercard 2% credit card]	\$ 16,919.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,186.95	\$ 1,101.30	\$ 2,288.25	\$ 14,631.38
808	Insurance Proceeds Income (NOT program income and NOT temp restricted per NCPC)	\$ 9,796.17	\$ 5,881.14	\$ (4,410.86)	\$ -	\$ 1,470.28	\$ -	\$ -	\$ -	\$ -	\$ 11,266.45
812	PFCRC II - Administration	\$ 99,583.40	\$ 4,750.00	\$ 4,750.00	\$ 4,750.00	\$ 14,250.00	\$ 5,144.32	\$ 5,063.59	\$ (4,039.64)	\$ 6,168.27	\$ 107,665.13
815	Hoke - Contracted Eval (not program income)	\$ 27,791.50	\$ 6,177.76	\$ -	\$ -	\$ 6,177.76	\$ 608.62	\$ 342.47	\$ 1,299.33	\$ 2,250.42	\$ 31,718.84
820	Fundraising - PFC Annual Soiree	\$ 55,056.74	\$ 661.00	\$ 326.00	\$ 607.53	\$ 1,594.53	\$ 18.90	\$ 538.73	\$ 2,301.50	\$ 2,859.13	\$ 53,792.14
825	Capital Projects Fund [used for construction loan transactions]	\$ 3,006.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,006.76
897	Sales Tax	\$ (14,206.01)	\$ -	\$ 14,206.01	\$ -	\$ 14,206.01	\$ 162.60	\$ 491.37	\$ 417.61	\$ 1,071.58	\$ (1,071.58)
899	Interest Income (from Investment Funds)	\$ 6,073.08	\$ 7,218.64	\$ 233.53	\$ 217.45	\$ 7,669.62	\$ -	\$ -	\$ -	\$ -	\$ 13,742.70
904	Forfeited FSA and Pre-funded HRA/FSA	\$ (10,095.41)	\$ -	\$ -	\$ 9,441.00	\$ 9,441.00	\$ -	\$ -	\$ -	\$ -	\$ (654.41)
905	Employee Withholding	\$ 3,194.69	\$ 19,378.91	\$ 19,634.00	\$ 19,790.50	\$ 58,803.41	\$ 20,355.65	\$ 20,016.05	\$ 20,235.86	\$ 60,607.56	\$ 1,390.54
	Sub-total for Unrestricted Funds	\$ 741,154.00							Sub-total	\$ 784,461.51	

Partnership for Children of Cumberland County, Inc.

All Funding Sources
Fiscal Year 2025 - 2026

ONLY THE HIGHLIGHTED FUNDING STREAMS NEED TO BE DISCUSSED.

FUND CODE		July 1, 2025 Beginning Cash Balance	Receipts				Expenditures				Ending Cash Balance
			July	August	September	YTD	July	August	September	YTD	
INFORMATION TECHNOLOGY											
992	PFC IT Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267.26	\$ 55.82	\$ 323.08	\$ (323.08)
993	IT - Core	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
994	IT - Outside Agencies	\$ 68,334.24	\$ 9,008.78	\$ 7,707.46	\$ 8,020.00	\$ 24,736.24	\$ 10,948.58	\$ 7,758.53	\$ 6,161.56	\$ 24,868.67	\$ 68,201.81
995	IT - PFC Enhanced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
996	IT - PFC Regular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total for Information Technology		\$ 68,334.24	\$ -	\$ -	\$ -					Sub-total	\$ 67,878.73
PERMANENTLY RESTRICTED FUNDS											
599	Cumberland Community Foundation Endowment	\$ 31,384.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,384.00
Sub-total for Permanently Restricted Funds		\$ 31,384.00								Sub-total	\$ 31,384.00
TOTAL		\$ 883,906.70								TOTAL CASH	\$ 2,267,714.81

Partnership for Children of Cumberland County, Inc. - UNRESTRICTED REVENUES [FUND 208]

							Fiscal Year 2025 / 2026		
							SHOULD BE:	25%	75%
Activity	FY 25/26 Budget Effective 7/1/2025	July	August	September	Expenditures Y-T-D	Unspent Allocated Budget Amount	% of Budget Expended	% of Available Funds	
Administrative Operations	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	\$ 12,000.00	0%	100%	
Administrative Operations [for interest portion of the construction loan payments]	\$ 16,000.00	\$ 795.90	\$ 854.53	\$ 541.99	\$ 2,192.42	\$ 13,807.58	14%	86%	
	\$ 28,000.00	\$ 795.90	\$ 854.53	\$ 541.99	\$ 2,192.42	\$ 25,807.58	8%	92%	
CC&R - Core (in case of Federal shutdown)	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	0%	100%	
CE/FRC For Construction Loan Payments / Interest payments are coded to 9100-999	\$ 79,449.00	\$ 7,158.17	\$ 7,099.54	\$ 7,412.08	\$ 21,669.79	\$ 57,779.21	27%	73%	
Sub-Total	\$ 129,449.00	\$ 7,158.17	\$ 7,099.54	\$ 7,412.08	\$ 21,669.79	\$ 107,779.21	17%	83%	
Total Allocated Budget for FY25-26	157,449.00								
Allocated Budget Amount SPENT		\$ 7,954.07	\$ 7,954.07	\$ 7,954.07	\$ 23,862.21				
Allocated Budget Amount UNSPENT						\$ 133,586.79			
SUMMARY OF CASH AND INVESTMENTS									
July 1 - Total Cash Carryover including Investments								\$ 515,804.65	
Projected Unrestricted Revenues at the yearend					\$ (113,913.56)	<i><---- Cash of \$43,535.44 in GL 1113 at 07-01-25 less the FY 25-26 budget amount</i>			
Unspent Budget for FY25-26 at the month end					\$ 133,586.79				
Subtotal (cash in GL 1113 at the month end to be used for operating funds)		\$ 223,948.29				\$ 243,621.52	<i>Cash will be transferred from other streams if necessary.</i>		
Investments at month end (Includes money market account and certificates of deposits, if applicable)	\$ 447,593.66	\$(223,948.29)				\$ 223,645.37			
CURRENT TOTAL OF CASH AND INVESTMENTS AT THE MONTH END						\$ 467,266.89			

Partnership for Children of Cumberland County, Inc.
Cash and In-Kind Contributions Report
FY25/26

Total Smart Start Allocation NOT INCLUDING RECURRING FUNDS OF	
\$259,431 (NOT including prior year Carryforward Funds):	\$ 6,832,478.00
Target Cash & In-Kind Required (19%):	\$ 1,298,170.82
Target Cash Required (≥13%):	\$ 888,222.14
Target In-Kind Required (±6%):	\$ 409,948.68

1

CASH DONATIONS		August	September	Y-T-D
Cash Donations - In-House				
Board Donations	501-4410	\$ 556.56	\$ 26.01	\$ 607.57
Other Donations	501-4410	\$ 10.00	\$ 5,150.00	\$ 5,170.00
CCF Jerry/Helen Leggett Endowment	501-4410			\$ 1,630.33
Donations - Barlow Research Survey	501-4410		\$ 25.00	\$ 75.00
Donations - SECC Donation	501-4410			\$ -
Donations - Vending Machine Proceeds	515-4410		\$ 208.28	\$ 429.00
Donations - Giving Tuesday CCF	546-4420			\$ -
Program Income - Rent from Resource Center I	801-4824	\$ 4,276.85	\$ 4,802.15	\$ 13,375.85
Program Income-Little Land Donations	801-4827			\$ -
Program Income - Little Land Vendor Booth Rental	801-4834			\$ -
Program Income - CCR&R Workshop Fees	801-4823	\$ 975.00	\$ 830.00	\$ 2,060.00
Program Income - CCR&R Resource Library Fees	801-4823	\$ 50.00	\$ 25.00	\$ 105.00
Program Income - Tenant Copier Fees	801-5311			\$ -
Program Income - Cash Back Capital One	805-4829			\$ -
Program Income - Rent from Resource Center II	812-4761	\$ 4,750.00	\$ 4,750.00	\$ 14,250.00
Program Income - Fundraiser Grilled Cheese Festival	820-4611			\$ -
Miscellaneous	501-4410			\$ -
Total Cash Donations - In-House		\$ 10,618.41	\$ 15,816.44	\$ 37,702.75

TOTAL CASH DONATIONS		\$ 10,618.41	\$ 15,816.44	\$ 37,702.75
City of Fayetteville Federal ARPA Grant	333-4223			\$ -
TOTAL GRANTS		\$ -	\$ -	\$ -

2.9% **2**

IN-KIND DONATIONS		August	September	Y-T-D
In-Kind Donations - In-House				
In-Kind Donations - General Public				\$ -
In-Kind Donations - Volunteer Time		\$ 1,156.06	\$ 3,722.07	\$ 4,946.46
Google Ads Grant		\$ 6,169.32	\$ 7,031.89	\$ 18,120.47
Discounts on Materials - Kaplan				\$ -
Discounts on Services-Williams Printing				\$ -
Discounts on Services-Systel				\$ -
Discount on Venue Rental-Crown Coliseum				\$ -
Vendor donations of books/toys/supplies: Amazon				\$ -
Vendor donations of books: Barnes & Noble				\$ -
Total In-Kind Donations - In-House		\$ 7,325.38	\$ 10,753.96	\$ 23,066.93

In-Kind Donations - Direct Service Providers				
Quarterly Donations				\$ -

TOTAL IN-KIND DONATIONS		\$ 7,325.38	\$ 10,753.96	\$ 23,066.93
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1.8% **3**

GRAND TOTAL		\$ 17,943.79	\$ 26,570.40	\$ 60,769.68
--------------------	--	---------------------	---------------------	---------------------

4.7%

- 1 - Current Month Reporting
- 2 - YTD Cash Reported
- 3 - YTD In-Kind Reported
- 4 - Amount remaining to reach target

\$ (1,237,401.14)
TARGET REMAINING

4



CLIENT STATEMENT | For the Period September 1-30, 2025

[Faint, illegible text in a light blue background bar]

STATEMENT FOR:

PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM
& MARY SONNENBERG

Beginning Total Value (as of 9/1/25)
Ending Total Value (as of 9/30/25)
Includes Accrued Interest

\$156,021.51
\$159,212.01

Access Your Account Online At
www.etrade.com or call 800-387-2331

*Morgan Stanley Smith Barney LLC. Member SIPC.
E*TRADE is a business of Morgan Stanley.*

S 105885 MSKDD18A 006976

#BWNJGWM
0105885 02 AB 0.641 02 TR 0963 MSKDD18A 010000
PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM
& MARY SONNENBERG
351 WAGONER DRIVE SUITE 200
FAYETTEVILLE NC 28303



010000

*INVESTMENTS AND INSURANCE PRODUCTS: NOT FDIC INSURED • NOT A BANK DEPOSIT •
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY • NOT BANK GUARANTEED •
MAY LOSE VALUE • UNLESS SPECIFICALLY NOTED, ALL VALUES ARE DISPLAYED IN USD*



Account Summary

Self-Directed Brokerage Account

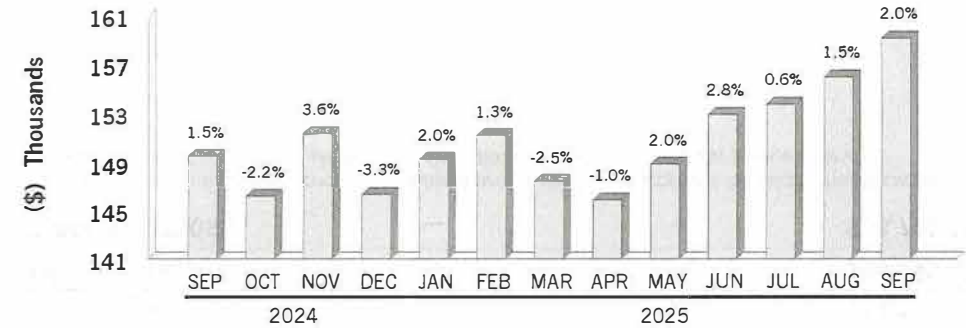
PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM

CHANGE IN VALUE OF YOUR ACCOUNT (includes accrued interest)

	This Period (9/1/25-9/30/25)	This Year (1/1/25-9/30/25)
TOTAL BEGINNING VALUE	\$156,021.51	\$146,347.33
Credits	—	—
Debits	—	—
Security Transfers	—	—
Net Credits/Debits/Transfers	—	—
Change in Value	3,190.50	12,864.68
TOTAL ENDING VALUE	\$159,212.01	\$159,212.01

MARKET VALUE OVER TIME

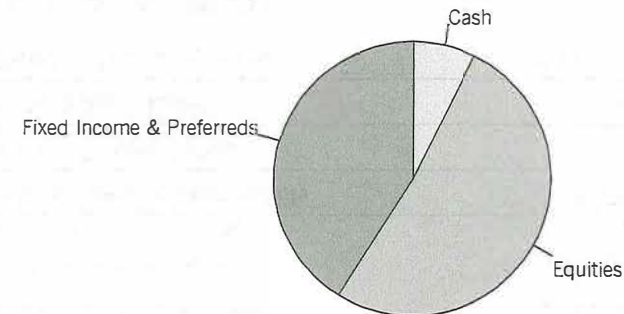
The below chart displays the most recent thirteen months of Market Value.



The percentages above represent the change in dollar value from the prior period. They do not represent account investment performance, as they do not consider the impact of contributions and withdrawals, nor other factors that may have affected performance calculations. No percentage will be displayed when the previous month reflected no value.

ASSET ALLOCATION (includes accrued interest)

	Market Value	Percentage
Cash	\$11,579.31	7.27
Equities	82,292.76	51.69
Fixed Income & Preferreds	65,339.94	41.04
TOTAL VALUE	\$159,212.01	100.00%



This asset allocation represents holdings on a trade date basis, and projected settled Cash/BDP and MMF balances. These classifications do not constitute a recommendation and may differ from the classification of instruments for regulatory or tax purposes.

FDIC rules apply and Bank Deposits are eligible for FDIC insurance but are not covered by SIPC. Cash and securities (including MMFs) are eligible for SIPC coverage. See Expanded Disclosures. Values may include assets externally held, as a courtesy, and may not be covered by SIPC. Foreign Exchange (FX) is neither FDIC nor SIPC insured. For additional information, refer to the corresponding section of this statement.

Self-Directed Brokerage Account

PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM

Account Summary

BALANCE SHEET (^ includes accrued interest)

	Last Period (as of 8/31/25)	This Period (as of 9/30/25)
Cash, BDP, MMFs	\$11,393.31	\$11,579.31
Stocks	1,243.27	1,087.31
ETFs & CEFs	120,525.73	123,524.70
Mutual Funds	22,859.20	23,020.69
Total Assets	\$156,021.51	\$159,212.01
Total Liabilities (outstanding balance)	—	—
TOTAL VALUE	\$156,021.51	\$159,212.01

INCOME AND DISTRIBUTION SUMMARY

	This Period (9/1/25-9/30/25)	This Year (1/1/25-9/30/25)
Qualified Dividends	\$3.54	\$10.62
Other Dividends	302.45	3,142.66
Interest	0.10	0.81
Income And Distributions	\$306.09	\$3,154.09
Tax-Exempt Income	—	—
TOTAL INCOME AND DISTRIBUTIONS	\$306.09	\$3,154.09

Taxable and tax exempt income classifications are based on the characteristics of the underlying securities and not the taxable status of the account.

ADDITIONAL ACCOUNT INFORMATION

Category	This Period (9/1/25-9/30/25)	This Year (1/1/25-9/30/25)
Foreign Tax Paid	\$0.63	\$1.89

CASH FLOW

	This Period (9/1/25-9/30/25)	This Year (1/1/25-9/30/25)
OPENING CASH, BDP, MMFs	\$11,393.31	\$10,026.13
Dividend Reinvestments	(120.09)	(1,710.63)
Income and Distributions	306.09	3,263.81
Total Investment Related Activity	\$186.00	\$1,553.18
Total Cash Related Activity	—	—
Total Card/Check Activity	—	—
CLOSING CASH, BDP, MMFs	\$11,579.31	\$11,579.31

GAIN/(LOSS) SUMMARY

	Realized This Period (9/1/25-9/30/25)	Realized This Year (1/1/25-9/30/25)	Unrealized Inception to Date (as of 9/30/25)
Short-Term Gain	—	—	\$136.91
Long-Term Gain	—	—	32,223.32
Long-Term (Loss)	—	—	(13,568.27)
Total Long-Term	—	—	\$18,655.05
TOTAL GAIN/(LOSS)	—	—	\$18,791.96

The Gain/(Loss) Summary, which may be subsequently adjusted, is provided for informational purposes and should not be used for tax preparation. For additional detail, please visit www.etrade.com.



Account Detail

Self-Directed Brokerage Account

PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM

Investment Objectives (in order of priority): Income

Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

Brokerage Account

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Your actual investment return may differ from the unrealized gain/(loss) displayed. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for holdings that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current Yield is an estimate for informational purposes only. It reflects the income generated by an investment, and is calculated by dividing the total estimated annual income by the current market value of the entire position. It does not reflect changes in its price. Structured Investments, identified on the Position Description Details line as "Asset Class: Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

For additional information related to Unrealized and Realized Gain/(Loss) and tax lot details, including cost basis, please visit www.etrade.com. The information presented on the statement should not be used for tax purposes.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions. Under the Bank Deposit Program, free credit balances held in an account(s) at Morgan Stanley Smith Barney LLC are automatically deposited into an interest-bearing deposit account(s), at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, each a national bank, FDIC member and an affiliate of Morgan Stanley. Under certain circumstances, deposits may be held at other FDIC insured Program Banks. For more information regarding the Bank Deposit Program and the Program Banks, go to www.etrade.com/bdpdisclosure. Cash and interest from required Pattern Day Trader minimum equity amounts are retained in Cash Balance Program.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY PRIVATE BANK NA	\$11,579.31	—	\$1.16	0.010
<hr/>				
	Market Value	Percentage of Holdings	Est Ann Income	
CASH, BDP, AND MMFs	\$11,579.31	7.27%	\$1.16	

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Account Detail

Self-Directed Brokerage Account

PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM

STOCKS

COMMON STOCKS

Morgan Stanley & Co. LLC (Morgan Stanley) and Morningstar, Inc.'s equity research ratings are shown for certain securities. These ratings represent the opinions of the research provider and are not representations or guarantees of performance. The applicable research report contains more information regarding the analyst's opinions, analysis, and rating, and you should read the entire research report and not infer its contents. For ease of comparison, Morgan Stanley and Morningstar, Inc.'s equity research ratings have been normalized to a 1 (Buy), 2 (Hold), and 3 (Sell). Refer to your June or December statement for a summary guide describing the ratings. We do not take responsibility for, nor guarantee the accuracy, completeness, or timeliness of research prepared for Morningstar, Inc.

Security Description	Quantity	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
THOMSON REUTERS CORP (TRI)	7.000	\$155.330	\$332.01	\$1,087.31	\$755.30	\$16.66	1.53
<i>Rating: Morgan Stanley: 2, Morningstar: 1; Next Dividend Payable 12/2025; Asset Class: Equities</i>							

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	0.68%	\$332.01	\$1,087.31	\$755.30	\$16.66	1.53%

EXCHANGE-TRADED & CLOSED-END FUNDS

Estimated Annual Income for Exchange Traded Funds, is based upon historical distributions over the preceding 12-month period, while Estimated Annual Income for Closed End Funds may be based upon either (a) the most recent dividend or (b) sum of prior 12 months (depending upon whether there is an announced fixed rate). Current Yield is calculated by dividing the total Estimated Annual Income by the current Market Value of the position, and it is for informational purposes only. Distributions may consist of income, capital gains or the returns of capital distributions. EAI is based upon information provided by an outside vendor and is not verified by us. Depending upon market conditions, Current Yield may differ materially from published yields. Investors should refer to the Fund website for the most recent yield information.

Security Description	Quantity	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
VANGUARD DIVIDEND APPRECIATION (VIG)	Purchases	351.000	\$215.790	\$45,350.53	\$75,742.29	\$30,391.76	
Reinvestments	25.317		4,304.21	5,463.16	1,158.95		
Total	376.317		49,654.74	81,205.45	31,550.71	1,335.55	1.64
<i>Next Dividend Payable 10/01/25; Asset Class: Equities</i>							

VANGUARD LONG-TERM CORPORATE (VCLT)	545.000	77.650	54,991.61	42,319.25	(12,672.36)	2,277.56	5.38
<i>Next Dividend Payable 10/03/25; Asset Class: FI & Pref</i>							

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	77.59%	\$104,646.35	\$123,524.70	\$18,878.35	\$3,613.11	2.93%



Account Detail

Self-Directed Brokerage Account

PARTNERSHIP FOR CHILDREN OF CU
C/O JAMES GRAFSTROM

MUTUAL FUNDS

OPEN-END MUTUAL FUNDS

Although share price is displayed only to three decimal places, calculation of Market Value is computed using the full share price in our data base, which may carry out beyond three decimal places. "Share Price" and "Market Value" reflect information available at the time of statement production and may differ from actual month-end values due to a delay in receiving the information from an outside source. Estimated Annual Income is based upon historical distributions over the preceding 12-month period, rather than on the most recent dividend. Current Yield is an estimate and is calculated by dividing the total estimated annual income by the current market value of the position, and it is for informational purposes only. Distributions may consist of income, capital gains or the returns of capital distributions. EAI is based upon information provided by an outside vendor and is not verified by us. Depending upon market conditions, Current Yield may differ materially from published Fund yields. Investors should refer to the Fund website for the most recent yield information.

Security Description		Quantity	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
VANGUARD HI YLD CORP INV (VWEHX) Reinvestments	Purchases	2,988.805	\$5.560	\$17,500.00 p	\$16,617.75	\$(895.91)		
		1,151.607		6,348.72	6,402.94	54.22		
	Total	4,140.412		23,848.72	23,020.69	(841.69)	1,407.74	6.12

Enrolled In Dividend Reinvestment; Capital Gains Reinvest; Asset Class: FI & Pref

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	14.46%	\$23,848.72	\$23,020.69	\$(841.69)	\$1,407.74	6.12%

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL VALUE	100.00%	\$128,827.08	\$159,212.01	\$18,791.96	\$5,038.67	3.17%

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' or 'Pending Corporate Actions' are not included.

p - One or more tax lots of this position may either be missing cost basis, or has a Pending Corporate Action event. Unrealized Gain/Loss includes only tax lots for which we have cost basis.

ALLOCATION OF ASSETS

	Cash	Equities	Fixed Income & Preferred Securities	Alternatives	Structured Investments	Other
Cash, BDP, MMFs	\$11,579.31	—	—	—	—	—
Stocks	—	\$1,087.31	—	—	—	—
ETFs & CEFs	—	81,205.45	\$42,319.25	—	—	—
Mutual Funds	—	—	23,020.69	—	—	—
TOTAL ALLOCATION OF ASSETS	\$11,579.31	\$82,292.76	\$65,339.94	—	—	—

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Account Detail

Self-Directed Brokerage Account

PARTNERSHIP FOR CHILDREN OF CU
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ACTIVITY

CASH FLOW ACTIVITY BY DATE

Activity Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
9/2		Dividend	VANGUARD HI YLD CORP INV DIV PAYMENT				\$120.09
9/2		Dividend Reinvestment	VANGUARD HI YLD CORP INV	REINVESTMENT a/o 08/29/25	21.638	5.5500	(120.09)
9/4		Dividend	VANGUARD LONG-TERM CORPORATE				182.36
9/10		Dividend	THOMSON REUTERS CORP ADJ GROSS DIV AMOUNT 0.63 FOREIGN TAX PAID IS 0.63				0.00
9/10		Qualified Dividend	THOMSON REUTERS CORP				3.54
9/30		Interest Income	MORGAN STANLEY PRIVATE BANK NA	(Period 09/01-09/30)			0.10
NET CREDITS/(DEBITS)							\$186.00

Purchase and Sale transactions above may have received an average price execution. Details regarding the actual prices are available upon request.

MONEY MARKET FUND (MMF) AND BANK DEPOSIT PROGRAM ACTIVITY

Activity Date	Activity Type	Description	Credits/(Debits)
9/4	Automatic Investment	BANK DEPOSIT PROGRAM	\$182.36
9/10	Automatic Investment	BANK DEPOSIT PROGRAM	3.54
9/30	Automatic Investment	BANK DEPOSIT PROGRAM	0.10
NET ACTIVITY FOR PERIOD			\$186.00

MESSAGES

Senior Investor Helpline

For any inquiries or potential concerns, senior investors or someone acting on their behalf may contact our Firm by calling (800) 280-4534, Monday-Friday, 9 a.m.- 6 p.m. Eastern Time.

FINRA BrokerCheck

FINRA has established the public disclosure program, known as BrokerCheck, to provide certain information regarding the disciplinary history of FINRA members and their associated persons. The BrokerCheck Hotline Number is 1-800-289-9999. The FINRA website address is www.finra.org. An investor brochure that includes information describing FINRA BrokerCheck may be obtained from FINRA.

Financial Disclosure Statement (in millions of dollars):

At June 30, 2025 Morgan Stanley Smith Barney LLC had net capital of \$6,072 which exceeded the Securities and Exchange Commission's minimum requirement of \$679. A copy of the Morgan Stanley Smith Barney LLC Consolidated Statement of Financial Condition at June 30, 2025 can be viewed online at: https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/shareholder/morganstanley_smithbarney_llc.pdf, or may be mailed to you at no cost by calling 1 (833) 445-2492.

President's Report
Executive Committee (Acting on Behalf of Board)
Charles Morris Room
Thursday, September 25, 2025

A. NCPC/DCDEE Updates / Legislative Updates

1. NCPC

- This month we are featuring the recipients of the 2025 Kindness Awards.
- NCPC Monitoring will occur November 12-13.
- NCPC's [Public Policy Update](#) with information from the Virtual Early Childhood Caucus is attached.

2. DCDEE

- **Region 5** contracting: CORE is executed. Subcontracts are in development. Budgets have decreased for the special projects (HSB and B3QI), and we are in the process of finalizing budgets for HSB and B3QI. The Summary of Notice for the RFPs for the special projects have been released. The full RFPs will be in the weekly newsletter sent out by DCDEE.
- **NC Pre-K contract has been executed.** Advance has been received. The majority of providers are in contract. August payments have been processed for those in contract. The process of evaluating requests for extension for Long Term Substitutes has not been released.

3. State Level

- To date, only a series of "mini-budgets" have been enacted to keep state operations afloat, leaving early childhood programs reliant on temporary or reduced funding.
- For details of the session thus far and federal updates, refer to the NC Center for Nonprofits' [September 19th Public Policy update](#).

4. Federal Level

- Child Care of America report on Funding – <https://info.childcareaware.org/hubfs/An-Uneven-Start--2025-State-Funding-for-Child-Care-Early-Learning.pdf>.
- NC continues to benefit from the Preschool Development Grant Birth-5 (PDG B-5), which supports system-building, coordination, and quality improvements across early childhood programs. Family Child Care initiatives and the Child Care Academies have emerged as activities funded by PDG B-5.

5. Local Level

- The quarterly collaborative meeting between DSS, the Health Department, and PFC was held on August 22nd. DSS now has a waiting list for Subsidy. The Health Department has a number of vaccination clinics occurring, particularly to address vaccination requirements for children entering school. PFC reported on the Workforce Development Activity and Family Connects.
- We follow the work of the Joint City and County Liaison Committee. Brenda Jackson, DSS Director and PFC Board Member, is coordinating a PFC and Tri-Share presentation about child care access and affordability.

B. Grant Opportunities/Updates/RFPs

- Cumberland County contract for the Family Connects program has been executed. Reimbursements will be on a quarterly basis.
- City of Fayetteville CDBG Grant for Building Renovations: The estimated date for construction to start is still November and is contingent on materials arriving.

- The City of Fayetteville ARPA: The initial Workforce Development Project served 4 participants. Those who have been part of the initial cohort are excited about the training and opportunity provided by this project. We will work with NC Works to recruit additional students to reach our 15 participants for this project.
- Grant requests have been submitted to the Cannon Foundation and Golden *LEAF* for capital funding for Phase III of the Building project.

C. Staff Updates

- **NC Pre-K Caseworker, Early Literacy and Play Coordinator, Communications & Digital Media Specialist – now recruiting.** If you are interested in or would like to refer a candidate for these full-time positions, please contact Anthony Ramos (aramos@ccpfc.org) for more information.
- **Welcome to Ever Aguero Aranda, Program Specialist for NC Pre-K. Ever started Monday, September 22.** Ever recently completed his BA in Management Information Systems at UNC Charlotte. As an administrative professional, Ever brings international experience in data management, logistics, and office administration. We are excited to see Ever join the Partnership and grow with us. We know that he'll have great contributions to the team.
- **Staff Development Fundraiser: Hot Dog / Chili Plate Sale, October 30.** Help PFC staff raise funds for team development opportunities. Team building is a critical aspect of our ability to collaborate and build lasting partnerships. It begins in-house with the respect, trust and rapport that we have for one another. Stop by PFC on October 30 for grilled hot dogs or a bowl of chili. Plates will come with a bag of chips, dessert and drink. Plates will be \$10.

D. Events/Recognitions

- **NC Pre-K Let's Get Enrolled – Applications for the 2025-2026 school year are still being accepted.** Please share the URL: [LetsGetEnrolled.com](https://letsgetenrolled.com). We still have spaces available in our private child care NC Pre-K sites. Contact Ar-Nita Davis (adavis@ccpfc.org) if you have questions.
- **Kindness Awards Recipients** – Awards were presented individually by Board Members and Mary Sonnenberg. In addition, recipients were recognized at the Executive Committee meeting on September 25.

Friends of the CC Public Library, Inc: Advocates & Partners to the Public Library for Nearly 50 years

Andrea Garner: Mom & Mentor to Many

Ashley Glenn: Special Security Patrol; One-on-One Personal Care Assistant

Sweet Carolina Delights (Bobbie and Alana Johnson): Promoters of Literacy & All Things Sweet

Annie P. Kelly: Community & Child Advocate

Sharon Moyer: Community Advocate & Champion for Children

Ryu's Taekwondo NC (Master Choung Hwan Ryu): Youth Development

Brittney Turner: Tomorrow's Inspiration Academy; Think Positive, Live Life Happy

- **PFC United Way Campaign/Food and School Supply Drive** – Our campaign kicked off on September 24. We are proud supporters of United Way. Please donate to the Food and School Supply drive.
- **Grilled Cheese Festival**—Save the date for November 15, 2025, at Dirtbag Ales. We are excited about this new event. Ticket, vendor, and sponsorship information is available at ccpfc.org/cheesy. Table Tops are \$100. Event Sponsorships are \$200. More information to come on Grilled Cheese tickets to go along with Table Tops and Event Sponsorship. Look out for a Family Pack contest. Share our event on social media AND purchase tickets!
- **Barnes and Noble Book Drive** – The dates for this year's book drive are November 1 – December 15. We are thrilled to be recipients of the local store's book drive.
- **Giving Tuesday: We are proud to be part of the Cumberland Community Foundation's Giving Tuesday event again this year. Giving Tuesday donations are amplified through generous donors to the Cumberland Community Foundation. Giving Tuesday is December 2, 2025. More details will be coming on the process and time period for donations.**
- **Little Land 2026** – Save the date for March 14, 2026. More details to come.

From: Marta Hester <mhester@smartstart.org>

Subject: Smart Start Network Public Policy Update for Week of September 15 - 19, 2025

Good morning,

I am pleased many members of the Smart Start Network were able to join the Early Childhood Caucus Virtual Town Hall last Friday. I am attaching an overview of the responses from the participating state legislators and a list of issues and questions Smart Start Local Partnerships can use to create town halls within your own communities across the state. We are extremely appreciative to state legislators who took time out of their schedules to join us: Representatives David Willis, Brandon Lofton, Donnie Loftis, Julie von Haefen, Cynthia Ball and Diane Wheatley, and Senator Jay Chaudhuri. Town Halls offer a great opportunity to hear from elected officials while also educating participants about the Smart Start Network. More opportunities will be available to hear from elected officials at different levels of government in the near future.

The NC General Assembly is scheduled to convene on Monday, September 22, 2025, at 12:00 noon for a few days and reconvene on October 21, 2025. While I understand a final budget is still pending and may not be presented by next week, there are conversations about public safety legislation being introduced. There's a new call to action to provide more funding for law enforcement and mental health resources, to increase the expansion of involuntary commitment and early intervention mental health strategies and to stipulate stricter rules to prevent crime resulting from the recent fatal stabbing on the Charlotte commuter train. Of course, there's also several bills pending veto overrides on the House calendar. Legislative Alerts will be issued to the Smart Start Local Partnerships as soon as further action is taken.

In case you haven't already heard, there's some exciting news about New Mexico offering no-cost universal child care regardless of income beginning November 1, 2025. For more information, see the links below.

- [New Mexico is first state in nation to offer universal child care - Office of the Governor - Michelle Lujan Grisham](#)
- [Universal Child Care | Early Childhood Education & Care Department](#)

STATE UPDATES

QRIS Training

The Division of Child Development and Early Education (DCDEE) will be hosting community meetings to provide an update on the modernization of North Carolina's Quality Rating Improvement System (QRIS). Meetings will be held at the following four locations across the state from 6:30pm – 7:30pm.

- 9/23/25 – Charlotte – Leaf Spring School at Matthews – 3420 Pleasant Plains Road Stallings, NC 28104
- 9/25/25 – Morganton - Foothills Higher Education Center, 2128 S Sterling Street, Morganton, NC, 28655
- 9/29/25 – Greenville - Pitt County Agriculture Center – Auditorium – 403 Government Circle, Greenville, NC 27834
- 10/1/25 – Raleigh – Wake County Smart Start – 4901 Waters Edge Drive #101, Raleigh NC 27606

Please share this information with families, child care educators and other early care and education stakeholders.

NC Division of Child Development Update on the federal Administration on Children and Families (ACF)

At the state ECE advocates meeting this week, Candace Witherspoon, Director, NC DCDEE, shared that DCDEE would be having a meeting with their federal partners from ACF yesterday, Thursday, September 17, 2025. Witherspoon further advised ACF's mission, vision, values, priorities, and guiding principles have been updated; please see the new [ACF Vision, Mission, Values, Priorities, & Guiding Principles | The Administration for Children and Families](#). We will continue to keep you posted and look forward to hearing more soon from DCDEE.

State ECE Advocates Shared Agenda Update on Child Care Subsidy

The advocates landed on a public facing option of a floor for all ages, all providers using the "state rate" from the 2021 Market Rate Study as the floor (minimum) with the rates from the 2023 Market Rate Study (MRS) as the maximum, and a hold harmless policy ensuring that providers get the highest rate available between the floor and 2023 MRS with no one seeing a decreased rate. The cost estimate is \$145 million.

FEDERAL UPDATES

Federal Appropriations (Budget) Process

The end of the federal fiscal year is September 30, 2025. The U.S. Congress must approve a new government funding package for FY 2026 or pass a continuing resolution (CR) to keep the government operating at current funding levels for a specified period in order to avoid a government shutdown. While some of the twelve appropriation bills have been approved in the House and Senate in the Appropriations Committee, none have been considered in the full House and Senate for floor votes. A continuing resolution is imminent.

Update on New Interpretation of "Federal Public Benefit" under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) and Head Start

Several months ago, the Trump Administration's issued a new interpretation of "federal public benefit" under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) restricting the eligibility of non-U.S. national (non-alien) for many federal benefit programs. On September 10, 2025, a preliminary injunction was granted advising the Trump Administration's new interpretation **may not be enforced or implemented** in the plaintiff states while the case works its way through the judicial system. U.S. District Judge Ricardo Martinez in Seattle at the request of Head Start associations in several states issued a nationwide injunction barring the U.S. Department of Health and Human Services (HHS) from enforcing the new immigration-related restrictions anywhere in the United States.

The preliminary injunction is applicable **in plaintiff states** (including New York, Washington, Rhode Island, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Nevada, Minnesota, New Jersey, New Mexico, Oregon, Vermont and Wisconsin), absent further order of the court. No further information on the Trump Administration's plan for enforcement and/or implementation in

states not covered by the court's order is currently available as it is not explicitly cited.

The court's order specifically halted enforcement of the notices in the U.S. Departments of Justice, Health and Human Services, Education, and Labor. Additionally, the court specifically identified the following programs (among others) as not covered by PRWORA based on the court's "best reading" of the statute: *Head Start*, *The Health Center Program*, *Block Grants to States*.

- [new-york-et-al-v-united-states-department-of-justice-et-al-memo-and-order-2025.pdf](#)
- [Court Rulings Maintain Access to Critical Programs for Immigrant Families | CLASP](#)
- [PRWORA's Restrictions on Noncitizen Eligibility for Federal Public Benefits: Legal Issues | Congress.gov | Library of Congress](#)
- [Judge blocks Trump policy ending Head Start for immigrants | AP News](#)
- [Trump policy barring migrants from Head Start blocked nationwide](#)

Make Our Children Healthy Again: US Department of Health and Human Services

The Trump Administration released its "Make Our Children Healthy Again" [strategy report](#), on September 9, 2025. The report was created to address childhood chronic diseases by highlighting findings from the Make America Healthy Again Commission related to poor diet, exposure to environmental chemicals, lack of physical activity, stress and overmedicalization.

- [MAHA – The White House](#)

Child Care Modernization Act

On Wednesday, September 17, 2025, the Child Care Modernization Act was introduced to help with reauthorizing and enhancing the Child Care and Development Block Grant (CCDBG). Senators Deb Fischer, (R-Nebraska), Kirsten Gillibrand, (D-New York), John Hickenlooper, (D-Colorado), and Susan Collins, (R-Maine), are sponsoring the Child Care Modernization Act. This legislation seeks to address the accessibility and affordability of child care for working families. The bill has already received support from Child Care Aware, First Five Years Fund, National Association of Counties, National Child Care Association, and others.

More specifically, the bill is designed to:

- **Strengthen child care services** by moving states to use cost estimation models for setting provider rates, which will adequately compensate child care providers.
- **Ensure parental choice** by allowing states to develop a mixed delivery system of child care and preschool for children up to age 5 and before-school, after-school, and summer care for school-age children.
- **Increase child care supply** by introducing a new grant program within the CCDBG framework to assist providers in creating and expanding the supply.
- **Improve state child care plans** by improving support for families and communities, reducing barriers to the program, and increasing access and affordability to serve more families.

- **Assist in-home and rural child care providers** by providing technical assistance, including strategies to support best business practices, and the development and use of shared services initiatives such as family child care home provider networks.
- **Reduce duplicative regulatory burdens on child care providers** by ensuring states review their State and local health and safety requirements to determine redundancies and oversights that may exist.
- [Bipartisan Senate group releases bill to help increase affordable child care](#)
- [Child Care Aware of America Supports Introduction of the Child Care Modernization Act](#)
- [Fischer, Colleagues Introduce Bipartisan Bill to Expand Working Families' Access to Child Care - Press - United States Senator Deb Fischer for Nebraska](#)

RESOURCES

October: Farm to School and Early Care and Education Month

North Carolina Crunch promotes healthy eating and supports farm to school, farm to early care and education (ECE), and other local food initiatives throughout the state. On October 22, 2025, at 12:00 noon, specifically, and throughout the month of October, North Carolinians are encouraged to crunch on some local produce to promote healthy eating and learn where food comes from. Find out more at [North Carolina Crunch - Growing Minds](#)

- [Mark Your Calendar for North Carolina Crunch - North Carolina Field and Family](#)

NC Council for Women's Report on Investing in Economic Opportunity for Women in NC

The report examines key childcare and labor market indicators by race and ethnicity to offer a full understanding of the economic and workforce disparities by gender and race that persist. The report also highlights areas for improvement and recommends ways to increase opportunities.

- [North Carolina Women Make Economic Gains, But Disparities Persist | NC DOA](#)

NC Budget and Tax Center Webinar on State Budget

- [Preparing to push for a people-first state budget](#)

Thank you for helping celebrate Smart Start Month. We cannot wait to hear how Smart Start Local Partnerships have used the month of September to collaborate with families, child care educators, early care and education advocates, elected officials, business leaders and local chambers. Looking forward to hearing your stories about all the celebrations and community engagement activities.

Finally, please mark your calendars for the upcoming **Smart Start Network Public Policy Meetings** scheduled for **Friday, September 26 and October 10, 2025 at 10:00am to 11:00am.**

Thank you,

Marta

Early Childhood Issues and Questions for 2025 Nonpartisan Candidate Forums, Town Halls and Candidate Surveys

Smart Start

Smart Start is a public-private partnership serving young children from birth to five and their families statewide. Smart Start also supports the adults in children’s lives, including teachers and providers in a variety of ways, including providing technical assistance and funding for early care and education programs.

Potential Question(s):

- How familiar are you with Smart Start?
- We’d love to know what you already know about Smart Start?
- Can you share a personal story or a specific experience you've had—whether as a parent, grandparent, or in your community—that made you realize the importance of early development and the challenges families face?

Early Childhood Workforce

Like many other industries, child care has faced difficulties in recruiting and retaining well-qualified staff. We understand there are workforce shortages in other sectors at the state and local level, in county Departments of Social Services, state psychiatric hospitals and even within correctional facilities. However, the early childhood workforce in North Carolina was struggling even before the COVID-19 pandemic. The early childhood education system cannot continue to be sustained as the industry struggles to recruit teachers with median wages of \$14 per hour.

Potential Question(s):

- What steps do you recommend the state take to attract and retain more early childhood educators?
- As you know, Smart Start has partnered with Early Years to fund the WAGE\$ program that provides stipends twice a year to early childhood educators who are continuing their education/training in child development. How might we get this tried and true compensation support and quality initiative over the finish line to full statewide funding with support from NCGA instead of relying only on the allocations to local partnerships that have many demands on their funds?

Tri-Share

NC’s state legislature created the Tri-Share Child Care Pilot Program within the 2023 Appropriations Act. Tri-Share creates a public-private partnership to share the cost of child care equally between employers, eligible employees, and the state. Tri-Share’s goals include making high-quality child care affordable and accessible for working families, helping employers retain and attract employees, and supporting the stabilization of child care businesses across the state.

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Potential Questions:

- Have you heard of the Tri-Share model here in NC or its use in another state?
- How do you think a program such as Tri-share will help to benefit our state and economy?
- How do you recommend marketing or advertising the program to new businesses coming into the state?

Family Support

The COVID-19 pandemic and beyond have increased burdens and stresses on families in ways that can negatively impact children's development. Parents have struggled with disruptions to work, child care arrangements, and family life as a result of the pandemic and the aftermath.

Potential Question:

- What policies or programs do you support to help parents meet their families' needs and provide children with a nurturing home environment?

Maternal and Infant Health

North Carolina continues to have one of the highest overall rates of infant mortality in the U.S., and the state's mortality rates for Black and American Indian infants are more than twice as high as the rates for other races/ethnicities.

Potential Question(s):

- How can North Carolina address this challenge?
- Are you familiar with what other states with similar challenges are doing?

Home Visiting and Parenting Education

Voluntary home visiting and parenting education programs are research-backed strategies to promote child wellbeing, maternal, health and school readiness. The North Carolina Partnership for Children and the Smart Start Network supports universal newborn home visiting and parent education services for each family in every community in North Carolina. The term "universal" refers to the idea that the program or service is available to all individuals or households within a specific community.

Potential Question:

- How would you work to expand access to these programs for new families, ensuring that families have the support in the spots where they are most comfortable- some don't want it at home, just as families need different settings for their child care?

School Readiness and Early Grade Transitions

Early Childhood Education includes more than just child care. Studies reveal that over 90% of language development occurs in the first few years of life. Smart Start provides

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programs that develop early literacy skills needed for success in school, work, and life, such as Dolly Parton’s Imagination Library. Dolly Parton’s Imagination Library provides a free, age-appropriate book each month to children ages birth to 5.

Potential Question:

- What are ways the K-12 and early childhood systems can work together to ensure that students succeed as they transition into the early grades?

Smart Start and Economic Security

Many families are struggling to make ends meet especially now due to impending cuts to programs such as Medicaid and SNAP. While providing more unrestricted, general funding to Smart Start is one way the state legislature can provide a vehicle allowing more support to children, families, and providers.

Potential Question:

- What **other** policies and **support** will you champion to build families' financial stability and economic mobility due to inflation, a difficult job market, etc., such as expanding the Child Tax Credit or other programs that put money directly in the hands of parents?

Smart Start Network Virtual Town Hall Friday, September 12, 2025

10:00am – 11:15am

Questions and Participant's Responses

While the questions were developed in advance, they were directly derived from comments and questions asked during ED Forums, Smart Start Network Call Meetings and Smart Start Network Public Policy Meetings. See the three questions asked below:

I. Smart Start

Smart Start is a public-private partnership serving young children from birth to five and their families statewide. Smart Start also supports adults in children's lives, including teachers and providers in a variety of ways, including providing technical assistance and funding for early care and education programs.

Question:

How familiar are you with Smart Start? We would love to know what you already know about Smart Start?

State Legislators:

- Representative David Willis
 - Representative Willis asked to pass on the question, advised he is a child care owner/provider, and he's familiar with Smart Start.
- Representative Brandon Lofton
 - Smart Start is a public/private partnership and helps to administer/implement Tri-Share.
- Senator Jay Chaudhuri
 - Smart Start is responsible for many great programs and emphasized the importance of home visiting.
- Representative Donnie Loftis
 - Smart Start is a great investment as it helps children with early literacy by preparing them to read on a third grade competency level by the time they reach 3rd grade.
 - Rep. Loftis also mentioned the NC Chamber Study (Untapped Potential in NC) and how important it is to invest in child care as it helps boost NC's economy.
- Representative Cynthia Ball
 - Rep. Ball thanked Smart Start for the money provided to Western NC to help children and families during Hurricane Helene. While Rep. Ball recognized the funding was appropriated by the NC General Assembly, she acknowledged Smart Start's role in community awareness, connections, etc., to help use the allocation to help meet community needs.

- Representative Diane Wheatley
 - Smart Start helps both children and families to stay engaged and learn, and the site here in Cumberland provides many great programs for families.

II. Early Childhood Workforce

Like many other industries, child care has faced difficulties in recruiting and retaining well-qualified staff. We understand there are workforce shortages in other sectors at the state and local level, in county Departments of Social Services, state psychiatric hospitals and even within correctional facilities. However, the early childhood workforce in North Carolina was struggling even before the COVID-19 pandemic. The early childhood education system cannot continue to sustain as the industry struggles to recruit teachers with median wages of \$14 per hour.

Question:

As you know, Smart Start has partnered with Early Years to fund the WAGE\$ program that provides stipends twice a year to early childhood educators who are continuing their education/training in child development. How might we get this tried-and-true compensation support and quality initiative over the finish line to full statewide funding with support from NCGA instead of relying only on the allocations to local partnerships that have many demands on their funds?

What **other** steps do you recommend the state take to attract and retain more early childhood educators?

State Legislators:

- Representative David Willis
 - Child Care staffing shortages must and can be addressed through programs such as Tri-Share to get businesses involved in the solution.
- Representative Brandon Lofton
 - Supports expanding WAGE\$ and sponsored a bill previously with Rep. von Haefen. He believes state legislators will eventually support the increase.
- Senator Jay Chaudhuri
 - Child care workers are severely underpaid. Therefore, wages for child care teachers must be addressed in addition to teacher's benefits.
 - Suggested NC should look at approaches in two states: Kentucky and Texas.

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Questions and Participant's Responses

- Representative Donnie Loftis
 - Emphasized investing in the first 1000 days of a child's life and helping those most socioeconomically challenged; look at a tiered system and long-term returns on investments in child care.
- Representative Julie von Haefen
 - The public needs to ensure they ask candidates about their position on early care and education and increase the number of advocates in the public policy arena.
- Representative Cynthia Ball
 - Many women are leaving the workforce to stay home with their children. We need to make the case to employers to help women to remain in the workforce by providing incentives such as on-site child care. Women in the workforce helps to boost the economy.
 - Child tax credits are also important.
- Representative Diane Wheatley
 - We need to bring private partners in and develop stronger partnerships with businesses, offer incentives to businesses, and look at having on-site child care.

III. Smart Start and Economic Security

Many families are struggling to make ends meet, especially now due to impending cuts to programs such as Medicaid and SNAP. While providing more unrestricted, general funding to Smart Start is one way the state legislature can provide a vehicle allowing more support to children, families, and providers.

Question:

What **other** policies and **support** will you champion to build families' financial stability and economic mobility due to inflation, a difficult job market, etc., such as expanding the Child Tax Credit or other programs that put money directly in the hands of parents?

State Legislators:

- Representative David Willis
 - In households with children with absent fathers, more programs are needed to educate young men to be positive role models and step up if they are fathers and take more accountability for their children and their roles as fathers.
- Representative Brandon Lofton
 - It is important for children to be in a high-quality center.

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Questions and Participant's Responses

- We must meet families where they are regardless of income.
- Suggested legislators can address family economic security/child care issues through lowering subsidies, offering child tax credits, and increasing housing/homeowner's access.
- Senator Jay Chaudhuri
 - Mentioned the importance of child care slots for working families.
- Representative Donnie Loftis
 - Using Opportunity Scholarships or a system like an Opportunity Scholarship tiered system to help address child care issues for families most in need. We also may want to look at tax credits even though it is not a favored approach in the legislature.
- Representative Julie von Haefen
 - People do not look at child care as a right. However, child care is education and not babysitting.
 - Child care is only one part of helping families to maintain or achieve economic stability. Help is required for other supports such as raising NC's minimum wage.
 - Rep. von Haefen mentioned more information to help families to achieve economic stability is available through her proposed legislation, [HB 786, Working Families Act.](#)
 - Note: The Working Families Act was also sponsored by Representatives Ball and Lofton.
- Representative Cynthia Ball
 - No response as Representative had to leave the town hall early.
- Representative Diane Wheatley
 - Child tax credit
 - Funding for training child care teachers
 - Using an opportunity scholarship type system
 - State legislators should also look at families who do not take their children to child care facilities, especially examining/addressing transportation issues young mothers may experience transporting their children to child care facilities in rural areas. Transportation-related issues present a hardship in some rural areas.

There were two questions from Smart Start Local Partnership Executive Directors

- I. What is the most impactful thing needing to be addressed now as it relates to early child and education and to address teacher turnover:
 - Representative Loftis:

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Questions and Participant's Responses

- The paradigm must be changed to show early childhood education is an early investment that pays off later by resulting in more successful outcomes in education, jobs, etc.
- II. State-funded NC Pre-K is underfunded and will collapse if more funding isn't appropriated? How should this issue be addressed?
 - Representative Willis:
 - Funding for NC Pre-K does need to be addressed through a voucher, opportunity grant or a different model to offer families some financial assistance. However, NC Pre-K should not be fully funded at 100% by the state.