

## **HEAD START/EARLY HEAD START ANNUAL REPORT FY 2009-2010**

Mountain Projects, Inc. Head Start (HS) received \$1,713,074 of federal funding to serve 200 children ages 3-5 years old. Early Head Start (EHS) received \$672,498 of federal funding to serve 40 pregnant women and children ages 0-3 years old. Both programs are operating in Haywood and Jackson Counties. These children were served in 20 classrooms in 6 centers and 2 public schools. The Early Head Start grant was acquired in December of 2009, and funded as part of "The American Recovery Reinvestment Act of 2009" (ARRA) signed into law by President Obama on February 17, 2009. Services to children in the EHS classrooms began May 24, 2010. The first Fiscal Year ended September 29, 2010.

### **ENROLLMENT:**

Head Start served a total of 235 children. Of these children, 96% were served as income eligible and 4% were served as over-income eligible. Early Head Start served a total of 40 children. All EHS children were served as income eligible. All Head Start/Early Head Start programs are allowed to serve a maximum of 10% over income children.

We maintained 100% of our funded enrollment of children (200 HS) and (40 EHS) on a monthly basis throughout the entire program year in both programs. Waiting lists of children were also maintained in both programs throughout the year.

### **HEALTH/DISABILITY SERVICES:**

All HS children received health and dental screenings. 56 (25%) HS children were referred for medical treatment. 56 (100%) of those children received treatment. 79 (36%) HS children were referred for dental treatment. 76 (96%) of those children received treatment. Most of the children's dental treatment was provided through Medicaid. HS paid a total of \$184.00 for dental treatment for children not eligible for Medicaid or other insurance.

17 (7%) HS children were referred for mental health services. 14 (82%) of those children received mental health services. HS funding provided a total of \$4,500 for mental health services. A total of \$2,924.00 was spent for these services.

45 (23%) HS children received special education services during the year. 23 (51%) of these children were determined eligible prior to enrollment in the program. The other 22 (49%) were placed during the program year. 21 (47%) children were placed as having Speech/Language disorders, 23 (51%) children were placed as having non-categorical/developmental delays, and one was placed as having Autism.

100% of the EHS children were up to date on preventive and primary health care. No EHS children were referred for needed medical or dental treatment. 6 (.15%) EHS children received special education services during the year. All of these children were determined eligible to receive early intervention services prior to enrollment into the program. 1 (.025%) EHS child received mental health services. EHS funding provided a total of \$2,000 for mental health services. A total of \$980.00 was spent for these services.

#### **TRANSPORTATION SERVICES:**

A total of 18 HS children received transportation services during the school year. This service is provided on a very limited basis and paid for by Smart Start and Head Start funds. A total of \$26,745 was spent for transportation services. \$23,488 was provided by state Smart Start funding, and \$3,257 was provided by HS funding. No EHS transportation is available.

#### **WRAP-AROUND SERVICES:**

33 HS/EHS received state subsidy money for wrap – around hours during the school year. Summer care was also provided for 5 HS children at the Kneeder Center through state subsidy money.

#### **PREPARING CHILDREN FOR KINDERGARTEN:**

67 HS children in Haywood County and 41 HS children in Jackson County graduated in May 2010.

Mountain Projects, Inc. Head Start uses the Creative Curriculum in all classrooms. Our ongoing assessment tool is the Creative Curriculum Developmental Continuum. This tool assesses children throughout the program year in the areas of Language Development, Literacy, Mathematics, Science, Creative Arts, Social/Emotional Development, Approaches to Learning, and Physical & Health Development. Each assessment is divided into four skill level areas: Forerunner, Level I, Level II, and Level III.

# **The 2009-2010 Child Outcomes Report**

## **OUTCOMES REPORT**

Head Start mandates that each program have an ongoing assessment tool to assess children throughout the program year in Language Development, Literacy, Mathematics, Science, Creative Arts, Social Emotional Development, Approaches to Learning, and Physical Health & Development. Our ongoing assessment tool is Creative Curriculum Developmental Continuum. The continuum is divided into four areas with 50 objectives: Language Development, Cognitive, Social/Emotional, and Physical. Each assessment is divided into four skill level areas: Forerunner, Level 1, Level 2 and Level 3.

- Forerunner – shows strengths on which a teacher can build on (special needs children and children with no preschool experience will fall into this category)
- Level 1 – approximates a beginning level of development
- Level 2 – next level in acquiring a skill
- Level 3 – higher level of skill development

Overall progress shows that our Head Start children improved in the program year 2009-2010. The graph below shows the percentages throughout the year.

	Forerunner	Level 1	Level 2	Level 3
Fall	15%	53%	30%	2%
Winter	3%	31%	54%	13%
Spring	2%	13%	41%	44%

A complete copy of the Progress and Outcomes Report will be available to review at Mountain Projects office in Waynesville or at the administrative Head Start office.

For those children transitioning into Kindergarten in the fall, The Head Start Education Coordinator works with the HS teachers to complete individual child portfolios for their Kindergarten Teacher. Public School visit dates are posted at the HS centers for parents and their child to visit new school and teacher. Final IEP transition meetings are held with local LEA's for children with special needs.

## **PARENT INVOLVEMENT ACTIVITIES:**

**Program Governance:** This year we welcomed the addition of Early Head Start Parents to the Policy Council. All members received orientation training in October and November. As part of shared governance between the Head Start/Early Head Start Policy Council and The Board of Mountain Projects, the Policy Council Chairperson is also a Mountain Projects Board Member. Also, the Policy Council and Board Members attend a “Shared Governance Roles and Responsibilities” training. These trainings were held on October 9, 2009. We had a total of 11 HS/EHS parent representatives and 5 Community representatives. Also, many of the Policy Council parents were involved in the Annual Self-Assessment process.

The Bright Beginnings Center had a special spring cleaning event for Dads and Grand Parents. Eight Dads came and spent the day moving and cleaning playground mats and toys. They also moved a storage building. The Moms were not left out. The next week, six Moms went inside the classrooms and cleaned toys, walls, windows and floors.

Several of our centers offered parent requested trainings including: Second Step, a three-step violence prevention program, Transition to Kindergarten, and How to Better Budget.

All of our parents spent hours completing home activities with their child/children on a weekly basis. These home activities followed what activities were being taught in the child’s classroom.

## **BUDGET INFORMATION:**

### **GRANT REVENUE:**

Head Start Federal Funding: \$1,713,074

Head Start ARRA Federal Funding: \$105,835

Early Head Start ARRA Federal Funding: \$672,498

USDA Federal Reimbursement for HS/EHS meals: \$131,465

Smart Start State Funding: \$ 42,800

More at Four State Funding: \$ 151,164

Reading is Fundamental (RIF) Federal Funding: \$1.716

**TOTAL GRANT REVENUE: \$2,818,552**

### **IN-KIND:**

In- Kind Goods: \$6,000

In-Kind Services: \$616,852

**TOTAL IN-KIND: \$622,852**

**TOTAL GRANT OPERATING REVENUE: \$3,441,404**

**OTHER INCOME:**

Subsidy (wrap-around) State Funding: \$ 67,576

**TOTAL OTHER INCOME: \$67,576****BUDGET EXPEDITURES:**

Personnel Expenses	\$1,614,387
Program Supplies	\$110,979
Occupancy	\$109,592
Other Supplies	\$15,054
Telephone/Internet	\$21,483
Utilities	\$30,990
Indirect Cost	\$215,192
Food Cost	\$192,620
Contract services	\$30,050
Staff Development	\$41,557
Child Transportation	\$26,745
In-Kind	\$529,055
Misc.	\$74,342

**TOTAL EXPENDITURES: \$3,012,046****UNOBLIGATED BALANCE:****Early Head Start: \$354,189**

Due to first year grant not received until January with services starting at the end of May.  
Grant was to run 10/1/10-9/29/11.

**ARRA COLA/Quality Improvement: \$12,346**

Balance was used to purchase/replace office Risograph. Program obtained approval from Regional office.

**Head Start: \$8,652**

This is an allowable Carry Over Balance

An independent audit was conducted and completed in November, 2010 for Mountain Projects, Inc. Included in this report is a copy of the compliance and auditor's report letter

## **RESULTS of MOST RECENT FEDERAL REVIEW**

Mountain Projects, Inc. Head Start was in 100% compliance with all Head Start Performance Standards, laws, regulations, and policy requirements and holds a Gold Certificate. Last reviewed in 2008, our program had no areas of non-compliance in health, mental health, education and early childhood development, disabilities, transportation, family and community, safe environments or program design and management. Our next federal review will be scheduled in 2011.

**Independent Auditor's Report on Compliance with Requirements that Could Have a Direct  
and Material Effect on Each Major Program and on Internal Control Over Compliance in  
Accordance With OMB Circular A-133**

To the Board of Directors  
Mountain Projects, Inc.  
Waynesville, North Carolina

Compliance

We have audited Mountain Projects, Inc.'s (Mountain Projects) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Mountain Projects' major federal programs for the year ended June 30, 2010. Mountain Projects' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Mountain Projects' management. Our responsibility is to express an opinion on Mountain Projects' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Mountain Projects' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Mountain Projects' compliance with those requirements.

In our opinion, Mountain Projects complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of Mountain Projects is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Mountain Projects' internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB

Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of Mountain Projects' internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mountain Project's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Directors, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Ray, Buchanan, Kinghill & Brown, P.A.*

Waynesville, North Carolina  
November 24, 2010