

HEAD START/EARLY HEAD START ANNUAL REPORT FY 2012-2013

The Mountain Projects, Inc. Head Start (HS) Program has a funded enrollment of 200 families and children ages 3-5 years old. The Early Head Start (EHS) Program has a funded enrollment of 40 pregnant women and children ages 0-3 years old. Both programs operate in Haywood and Jackson Counties. The children were served in 17 classrooms in 6 centers. In Haywood County, HS served 130 children in 7 classrooms in 4 centers. EHS served 22 children in 3 classrooms in 2 centers. In Jackson County, HS served 70 children in 4 classrooms in 2 centers. EHS served 18 children in 3 classrooms in 1 center.

ENROLLMENT:

Head Start served a total of 232 children. Of these children, 217 (94%) were served as income eligible and 6 (3%) were served as over-income eligible. 3 (1%) were served as recipients of public assistance. 3 (1%) were served as foster children and 3 (1%) were served as homeless.

Early Head Start served a total of 46 children. Of these children, 44 (96%) were served as income eligible and none were served as over income. 1 (2%) was served as a foster child and 1 (2%) was served as homeless. Head Start/Early Head Start programs are allowed to serve a maximum of 10% over income children. We served a total of 278 HS/EHS children during the program year and 6 (2%) children were served as over income.

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

Head Start also participated in the NC State Pre-K Program having 30 slots in 3 classrooms in 3 centers in Haywood County. These children were dully enrolled as Head Start and NC Pre-K enrollment.

HEALTH/DISABILITY SERVICES:

Head Start:

232 (100%) HS children maintained health insurance and had continuous, accessible health care. Of those children, 60 (26%) were referred for medical treatment. 57 (95%) children received treatment. The remaining 3 (5%) children left the program before their appointment date. 213 (92%) HS children maintained continuous, accessible dental care and 220 (95%) completed a dental examination. Of those children, 61 (28%) were referred for dental treatment. 47 (77%) received treatment. The remaining 14 (23%) children's appointments were scheduled for future dates after the PIR was completed. The majority of the children's medical and dental treatment was provided through Medicaid or private insurance.

38 (17%) HS parents consulted with a Mental Health professional concerning their child's behavior/mental health. 9 (4%) HS children received an individual mental health assessment. Of those children, 8 (89%) were referred for mental health services. 7 (88%) received mental health services. The remaining child's parent denied services.

31 (13%) HS children received special education services during the program year. 11 (35%) of these children were determined eligible prior to enrollment in the program. The other 20 (65%) were placed during the program year.

20 (65%) children were placed as having Speech/Language disorders, 10 (32%) children were placed as having non-categorical/developmental delays, and 1 (3%) was placed as hearing impaired.

Early Head Start:

46 (100%) EHS children maintained health insurance and had continuous, accessible health care. 41 (89%) EHS children had continuous, accessible dental care provided by a dentist. 46 (100%) EHS children were up-to-date on age appropriate preventive oral care and 43 (93%) EHS children were up to date on preventive and primary health care. 5 (11%) EHS children were referred for needed medical treatment. 5 (100%) of those children received treatment.

5 (11%) EHS children received early intervention services during the year. 4 (80%) of children were determined eligible to receive early intervention services prior to enrollment into the program. 1 (20%) child was placed during the program year.

3 (7%) EHS parents consulted with a Mental Health professional concerning their child's behavior/mental health. 2 (4%) children received an individual mental health assessment. 2 (4%) EHS children were referred for mental health services. 2 (100%) of those children received mental health services.

TRANSPORTATION SERVICES:

No transportation services were provided during the program year.

WRAP-AROUND SERVICES:

13 HS and 4 EHS children were enrolled in the State Child Care Subsidy Program for Wrap-Around service hours during the school year. These services were provided in the individual child's center. These services are primarily provided for parents who are working or going to school and require child care outside the normal HS/EHS hours of 8:30-2:30.

STAFF DEGREE REQUIREMENTS: THE HEAD START ACT OF 2007

HEAD START: Requires that not later than September 30, 2013:

At least 50% of Head Start teachers nationwide in center-based programs and the Head Start Education Coordinator have-

1. A BS or advanced degree in Early Childhood Education or
2. A BS or advanced degree and coursework in a major relating to Early Childhood Education with experience teaching pre-school age children.

Head Start had a total of 11 teachers during the year. 8 (73%) HS teachers meet the above degree requirement. 3 (27%) HS teachers have an Associate degree in Early Childhood Education with 2 of these teachers enrolled in school to complete a BS degree in Birth-Kindergarten. The Education Coordinator also met the requirement by completing an additional Birth-Kindergarten degree.

Head Start teaching assistants nationwide in center-based programs have-

1. At least a Child Development Associate credential (CDA);
2. Enrolled in an Associate or BS degree program or
3. Enrolled in a CDA credential program to be completed within 2 years.

Head Start had a total of 11 HS teaching assistants during the year. All 11 (100%) HS teaching assistants met the requirement. 10 (91%) have an Associate Degree in Early Childhood Education. 1 (9%) HS teaching assistant was enrolled in an Associate degree program, but did not complete the degree by the end of the program year and did not return for the 2013-2014 program year.

EARLY HEAD START: Requires that not later than September 30, 2010:

Early Head Start teachers have-

1. A minimum of a Child Development Associate credential (CDA), and have been trained (or have equivalent coursework) in early childhood development; and
2. Establish staff goals to ensure that no later than September 30, 2012, all EHS teachers have been trained (or have equivalent coursework) in early childhood development with a focus on infant and toddler development.

Our Early Head Start program was started the 2009-2010 school year. None of our local Community Colleges had a CDA credential program established. We decided that all the EHS teachers hired, would have an Associate Degree in Early Childhood Education and acquire their infant/toddler CDA within one year of hire date. This exceeds the above requirements. Early Head Start had a total of 12 teachers during the year. 100% met the above requirements.

FAMILY SERVICES:

Head Start:

Head Start served a total of 219 families. There were 112 (51%) two-parent families. In 18 (16%) families, both parents were employed. In 70 (63%) families one parent was employed, and in 24 (21%) families, both parents were not working. In 1 (0.9%) family, both parents were in job training or school. In 11 (10%) families, one parent was in job training or school. In 100 (89%) families, neither parent was in job training or school.

There were 107 (49%) one-parent families. In 49 (46%) families, the parent was employed and in 58 (54%) the parent was not employed. In 14 (13%) families, the parent was in job training or school. In 93 (87%) families, the parent was not in job training or school. Head Start had no US military parents on active duty.

7 (32%) HS families received TANF assistance, 14 (64%) received SSI income, 134 (61%) received WIC, and 135 (62%) received SNAP (food stamps).

Only 19 (9%) HS parents had less than a high school diploma.

Services requested by HS families included: 174 (79%) families requested emergency/crisis intervention such as food, clothing, heating or shelter. 10 (5%) families requested housing assistance. 10 (5%) families requested ESL training. 38 (17%) families requested job training. 20 (9%) families requested adult education services. 11 (5%) families requested child abuse/neglect services. 6 (3%) families requested child support assistance. All 219 families received services/trainings in mental health, health education, and parenting education. 173 (79%) of fathers/father figures of enrolled children participated in father involvement activities.

Early Head Start:

Early Head Start served a total of 44 families. There were 23 (52%) two-parent families. In 4 (17%) families, both parents were employed. In 11 (48%) families, one parent was employed and in 8(35%) families, both parents were not working. In 3 (13%) families, one parent was in job training or school. In 20 (87%) families, neither parent was in job training or school.

There were 21(48%) one-parent families. In 8 (38%) families, the parent was employed. In 13 (62%) families, the parent was not working. In 6 (29%) families, the parent was in job training or school. In 15 (71%) families, the parent was not in job training or school. Early Head Start had 1 family with a member in the US military on active duty.

5 (11%) EHS families received TANF assistance, 2 (5%) EHS families received SSI income, 36 (82%) EHS families received WIC and 29 (66%) EHS families received SNAP (food stamps).

All 44 EHS families had a high school/GED education or higher.

Services requested by EHS families included: 37 (84%) families requested emergency/crisis intervention such as food, clothing, heating or shelter. 3 (7%) families requested housing assistance. 1 (2%) family requested ESL training. 10 (23%) families requested adult education services. 8 (18%) families requested job training services. All 44 families received services/training in mental health, health education, and parenting education. 34 (77%) of fathers/father figures of enrolled children participated in father involvement activities.

PARENT INVOLVEMENT ACTIVITIES:

In September, all HS/EHS centers select parent representatives for each center parent group and representatives for Policy Council. All Policy Council members are voted in for the new program year in September. They received orientation training during 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 elected as a member of the Mountain Projects Board. Policy Council and Board Members attend a “Shared Governance Roles and Responsibilities” training. This training was held on November 14, 2013. We had a total of 9 Policy Council representatives and 11 Board representatives. The annual Self-Assessment training was completed November 15, 2013. Many of the Policy Council parents were involved in the Annual Self-Assessment process.

Several of our centers offered parent requested trainings including: Second Step, a three-step violence prevention program, CPR/First Aid, 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 educational activities being taught in the child’s classroom. In HS, 173 Fathers participated in classroom and home activities. In EHS, 34 Fathers participated in classroom and home activities. A total of 548 volunteers provided a variety of activities both in the classrooms and outside the centers. Of the 548 volunteers, 263 were parents.

PREPARING CHILDREN FOR KINDERGARTEN:

Sixty-nine Head Start children in Haywood County and forty Head Start children in Jackson County transitioned to kindergarten in May 2013. Activities for children transitioning out of Head Start include, the Head Start Education Coordinator working with the teaching staff to complete individual child portfolios to be sent to each child’s prospective school. Transition to Kindergarten registration dates are posted in each Head Start center for parents to take their child to visit each the elementary school their child will be attending. IEP transition meetings are held with the local LEA’s for parents with children with special needs to meet the new specialized service providers as well as a kindergarten teacher and principal. Mountain Projects, Inc., Head Start program uses Creative Curriculum in all classrooms including infant and toddlers. The curriculum is based on the children’s interest and building on current skills to increase widely held expectations. The ongoing assessment tool is Teaching

Strategies GOLD. The teaching staff observes each child examining 38 different learning objectives in six major areas of development. The use of observation and intentional teaching strategies allows teachers to obtain vital information in order to plan individual activities that address each child's strengths and/or developmental weaknesses thus providing appropriate interventions and learning experiences for each and every child. Mountain Projects, Inc., Head Start program assesses the children three times a year with the use of formal and informal observations as well as anecdotal notes. By using the same widely held developmental and learning expectations for all children, teachers are able to encourage every child to reach his or her full potential.

Teaching staff works with each family to incorporate activities from school to home so there is consistency and to increase skills to meet developmental milestones and widely held expectations. Parent trainings are held monthly and parents have input on lesson plans.

**2012-2013
Mountain Projects, Inc., Head Start
Outcomes Data**

ONGOING ASSESSMENT TOOL:

Teaching Strategies – GOLD ongoing assessment illustrates the predictable sequence of development and learning in most young children. To ensure that all children – including children with special needs – are making progress, teachers recognize and observe the many emergent skills that precede the development of typical skills from birth through kindergarten. The progressions serve as a guide to determine how all children are succeeding in the six areas of development and learning, while still acknowledging that children show what they know in different ways. The progressions emphasize that all children have the knowledge, skills, and behaviors upon which to build a successful education.

SCHOOL READINESS

Mountain Projects, Inc., Head Start program assesses the children three times a year with the use of formal and informal observations as well as anecdotal notes. Using Teaching Strategies ongoing assessment tool, the teaching staff observes each child examining 38 different learning objectives in six major areas of development. The use of observation and intentional teaching strategies allows teachers to obtain vital information in order to plan individual activities that address each child's strengths and/or developmental weaknesses thus providing appropriate interventions and learning experiences for each and every child. By using the same widely held developmental and learning expectations for all children, teachers are able to encourage every child to reach his or her full potential.

PROFILE OF CHILDREN:

Primary language:

84% English

16% Spanish

Gender:

Male: 47%

Female: 53%

Ethnicity:

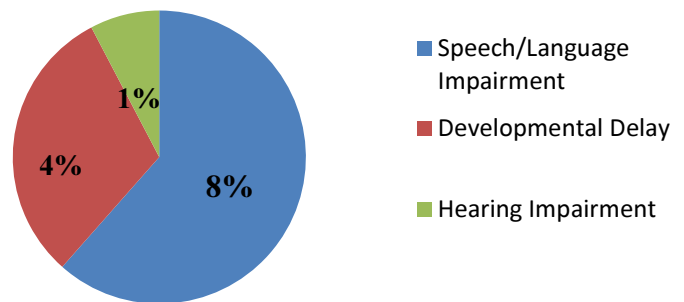
Non-Hispanic: 77%

Hispanic: 20%

Unknown: 2%

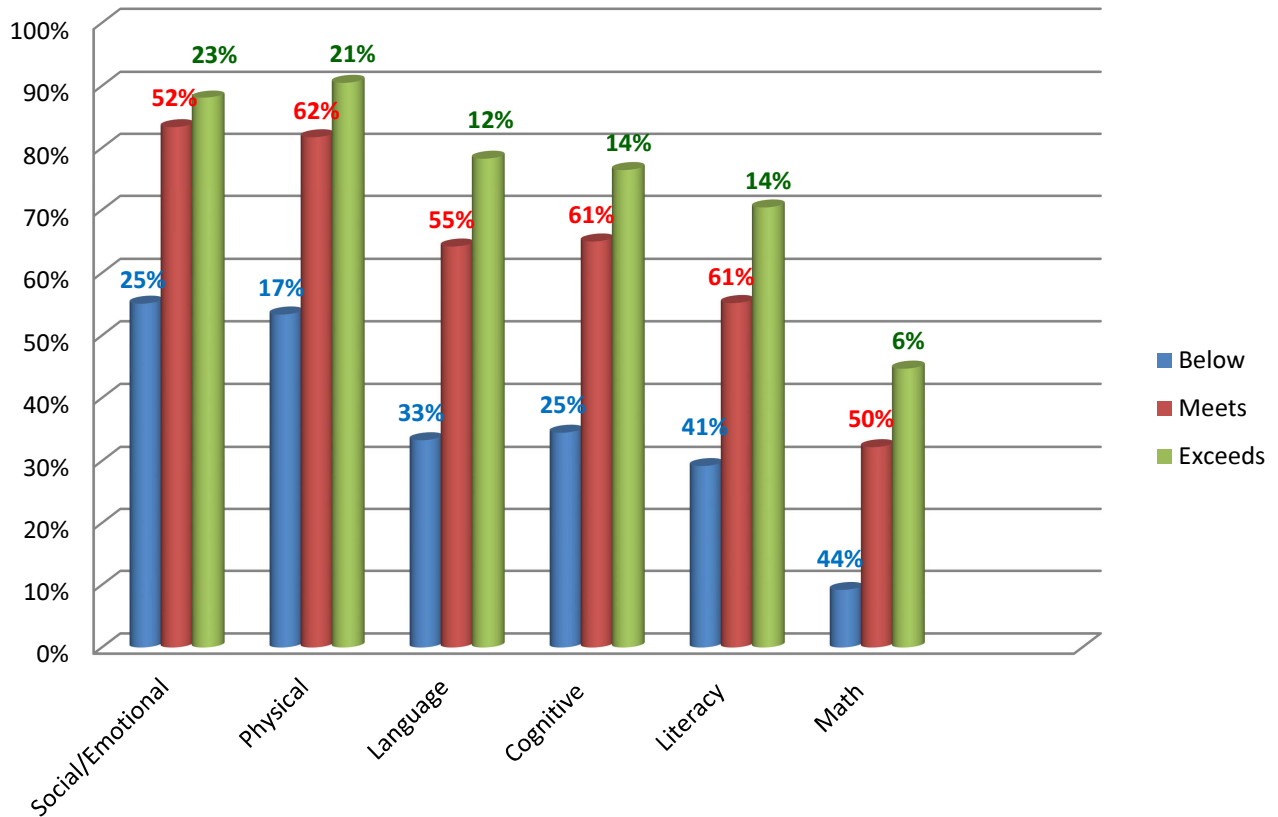
Other: 1%

13% of Head Start children receives specialized services



This graph below shows our programs growth in all of the six areas of development.

2012-2013 Mountain Projects, Inc., Head Start Outcomes Data



Data Analysis:

This graph shows the 2012-2013 Teaching Strategies Gold ongoing assessment data. The blue bar graph shows the percentage of children who were below widely held expectations at the end of the year, the red bar graph shows the percentage of children meeting widely held expectations and the green bar graph shows children exceeding widely held expectations.

- Social/Emotional Development saw an increase of 8.8 points in the winter and 6.3 points in the spring for an overall increase of 15.1.
- Physical Development, which includes (fine and gross motor), saw an increase of 3.7 points in the winter and 2.8 points in the spring for an overall increase of 6.5.
- Language Development saw an increase of 6.3 points in winter and 5.3 points in the spring for an overall increase of 11.4.
- Cognitive Development saw an increase of 7.8 points in the winter and 5.5 points in the spring for an overall increase of 13.3.

- Literacy Development saw an increase of 7 points in the winter and 4.9 points in the spring for an overall increase of 11.9.
- Math Development saw an increase of 5.1 points in the winter and 3.5 points in the spring for an overall increase of 8.6

Data analysis showed that Mountain Projects, Inc., Head Start Program showed an increase throughout the 2012-2013 program year. There is less of a gain between winter and spring assessment than between fall and winter assessment time frames because of inclement weather, holidays and children's chronological ages are increasing to make the widely held expectations higher. Based on the ongoing assessment data, physical development, literacy and mathematical concepts are the areas with the least amount of growth.

Mountain Projects, Inc., Head Start program will increase activities in the classroom as well as take home activities to show a growth in physical development (fine and gross motor), literacy, and mathematical concepts. By increasing activities in the classroom and at home, Mountain Projects, Inc., Head Start program goal is to enhance children's skills in these areas by 7-10%. Professional development trainings will be implemented during pre-service and throughout the year to help teacher's abilities to incorporate more activities in the classroom to increase skills in these areas. A focus will also include scientific inquiry skills throughout the curriculum to help children escalate their problem solving abilities

BUDGET INFORMATION:

REVENUE:

Head Start Federal Funding: \$1,759,034

Early Head Start ARRA Federal Funding: \$687,703

USDA Federal Reimbursement for HS/EHS meals: \$252,480

NC Pre-K State Funding: \$82,650

Subsidy (Wrap-Around services): \$46,945

TOTAL REVENUE: \$2,828,812

Required Non-Federal Share:

Head Start: \$439,758

Early Head Start: \$171,926

TOTAL IN-KIND: \$611,684

TOTAL OPERATING BUDGET: \$3,440,496

BUDGET EXPEDITURES HEAD START/EARLY HEAD START

Personnel Expenses	\$1,641,551
Program Supplies	\$36,645
Occupancy	\$102,691
Insurance/bonding	\$17,579
Telephone/Internet	\$16,365
Utilities	\$30,900
Indirect Cost	\$221,237
Food Cost	\$62,277
Contract services	\$31,959
Staff Development	\$5,403
Local Travel	\$11,130
Equipment repair	\$12,616
Maint.cleaning	\$18,931
Parent Activities	\$400
In-Kind	\$518,855

UNOBLIGATED BALANCE:

Head Start/Early Head Start: \$167,451

In February, 2013, the budget indicated that the HS/EHS programs were not meeting their In-Kind (federal dollar match of 20%). With federal funding, you can't spend federal dollars that can't be matched. We requested a waiver of the remaining In-Kind match in April, 2013 from the Office of Head Start. We did not know if the waiver would be approved and we would not find out until after the grant year was over. Not wanting to over spend money we would have to return, the staff was released 2 weeks early at the end of the program year. All Head Start children attended the required 180 days and the Early Head Start children attended the required 200 days of service. All services to families and children were received.

AUDIT:

An independent audit was conducted and completed in November, 2013 for the 2012-2013 Fiscal Year. The audit was presented to the Mountain Projects, Board of Directors at the December Board meeting. A summary of the audit will also be presented to the Policy Council Members at the February, 2014 Policy Council meeting. Included in this report is a copy of the compliance and auditor's report letter.

RESULTS OF MOST RECENT FEDERAL REVIEW:

A Federal Review was conducted in October, 2011 for the Mountain Projects Early Head Start and Head Start Programs. The Early Head Start Program was 100% compliant with all Head Start Performance Standards, laws, regulations, and policy requirements. The Head Start Program had two areas of non-compliance. A corrective action plan was written and submitted to the Office of Head Start for review and approval. We received a letter stating the corrective action plan submitted was approved. Our next Federal Review will be sometime during October, 2013 through September, 2014.

**Independent Auditor's Report on Compliance for Each Major Program and on Internal
Control Over Compliance Required by OMB Circular A-133**

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

Report on Compliance for Each Major Federal Program

We have audited Mountain Projects, Inc.'s 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, Inc.'s major federal programs for the year ended June 30, 2013. Mountain Projects, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Mountain Projects, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. 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, *Audits 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, Inc.'s 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Mountain Projects, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Mountain Projects, Inc. complied, in all material respects, with the types of compliance 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, 2013.

Report on Internal Control Over Compliance

Management of Mountain Projects, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Mountain Projects, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Mountain Projects, Inc.'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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Ray, Benjamin, Kingdell P. Brown, P.A.

Waynesville, North Carolina
November 29, 2013