



i(cs)

INSTITUTE *for* CHILD SUCCESS

( 2017-2018  
annual report



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# dear friends of ics

Over a decade ago, ICS's founders came together to discuss a pervasive challenge. Year after year, South Carolina's children were realizing some of the worst outcomes in the country. Whether we looked at health, education, or abuse and neglect, our most vulnerable citizens were facing realities that could not possibly prepare them for success. But we knew we could do better, and that our children and families deserved no less.

In 2013, the well-respected Annie E Casey's *Kids Count* publication ranked South Carolina as the 45th state in terms of overall child well-being. This ranking reflects measures of economic well-being, education, family and community, and health. Then for the first time, in 2017, we reached the 30s, coming in at 39th. For South Carolina, the new ranking means—among other things—33,000 fewer children living in poverty. It means 2,000 more young children accessing early childhood education.

Since South Carolina is ICS's birthplace, we take extra heart from the progress seen in our home state. Nevertheless, we know our systems-based approach is equally powerful in our work with jurisdictions across the country. In the last year, we've partnered with communities from Spartanburg to Charleston, Tempe to Tallahassee, Seattle to Bridgeport, and from Oklahoma City to Orange County, CA. We've joined forces with those communities to bring the best research from the field to inform how to advance systems, implement new policies, and improve outcomes for young children.

Much of our work is informed by brain science and the phenomenon of *resilience*, so much so that we've started referring to 2018 as *The Year of Resilience*. Resilience develops when children (and adults!) face intense challenges while buffered from toxic stress through supportive and stable relationships. We also see the phenomenon in systems themselves. With persistence over time, supportive partnerships, and clear-eyed focus on outcomes, we will continue to build momentum for our children and their families.

You—our founding and fueling partners, clients, donors, thought partners, champions, truth-tellers, legislators, councilmembers, NGOs, jurisdictions, teammates, and friends—make the work of ICS possible. And you make the process enjoyable. We cannot adequately express our gratitude in this short note. Thank you all—here's to the next 7 years.

In Gratitude,

**Ann Robinson**  
Chair, Board of Directors

**Jamie Moon**  
President



“We needed top-tier expertise in evidence-based strategies for dramatically improving outcomes for young children while we also needed knowledge and guidance navigating the daunting complexity of outcomes-based financing. I’ve come to realize how uniquely capable the Institute for Child Success is in that intersection. As we seek to unlock the potential of Pay for Success nationally, organizations that can marry outcomes financing expertise with specific areas of community change knowledge are essential. The feasibility study ICS produced for Spartanburg legitimized a dream. We still have a long way to go but we would have never reached this point without them.”

— Chris Story  
Spartanburg Assistant City Manager & ICS Board Member



“The Institute for Child Success is a collaborative partner providing consultation to organizations and policy makers on best practices affecting children and families. When considering the best approach to grassroots-level community change, ICS performed a Gap Analysis for Nicholtown Child and Family Collaborative which provided valuable data for strategic planning. They continue to be engaged to help keep our community-based work on track in using cutting-edge practices. On a State legislative level, I can count on ICS to partner with me and my colleagues to provide research and public policy that creates positive outcomes for public investment.”

— Representative Chandra Dillard  
South Carolina House of Representatives (*District 23*)



“The Institute for Child Success was instrumental in helping to create a clear and concise framework for the expansion of Quality Counts. The process of developing the brief turned out to be almost as important as the brief itself. The ICS associates invested a lot of time with us; through face to face conversations, conference calls, and board presentations, which in turn allowed for an in-depth understanding of the value of Quality Counts. The result was more than we had hoped for.”

— Barbara Manoski  
Quality Counts Program Director, *Spartanburg County First Steps*



# policy and research accomplishments

## **(applying policy research for success)**

Communities often ask “what really works to move the needle on...?” In 2017, ICS collaborated with the North Carolina Early Childhood Foundation and BEST NC to research a series of 12 publicly-available issue briefs designed to answer that question. The publications examine 12 domains that affect third grade reading, ranging from healthy birth to regular school attendance, and summarize the research-based policies, practices, and programs that can impact those domains. Lauded as a comprehensive tool, ICS is now incorporating the work in far-ranging projects, including a paper for the American Public Human Services Association, a project to support Palmetto Basics in South Carolina, and ongoing work in Connecticut with the Bridgeport Prospers Collective Action Network.

ICS is always looking for opportunities to improve the challenging economic forces that affect early care and education. As part of that work, in 2017, we partnered with Greenville First Steps to design and launch the Palmetto Shared Services Alliance (PSSA). A vehicle allowing early care and learning centers to combine forces to improve quality, PSSA increases back-office efficiency and saves both time and money. The network now includes over 80 child care providers in South Carolina, and ICS continues to work with PSSA to expand its offerings to other communities throughout the state.



In 2017, ICS also undertook a first-of-its kind qualitative study of South Carolina’s Child Advocacy Centers (CACs), working with directors to understand successes and barriers to improving services to families experiencing child abuse or neglect. With support from the BlueCross BlueShield Foundation of South Carolina, ICS will release this report publicly in 2018. However, the research has already informed legislative progress to support the CACs, and the National Children’s Alliance invited ICS researchers to share our findings during the International Conference on Child and Family Maltreatment earlier this year.

## **(the largest nonrefundable EITC in the USA)**

In 2015, ICS published research on the positive outcomes young children realize when their families receive a larger Earned Income Tax Credit (EITC). With support from the Sisters of Charity Foundation, ICS joined forces with our South Carolina Early Common Agenda partners—including the Children’s Trust and the United Way Association—to educate state policy makers and community stakeholders on the EITC tool and its benefits. Surpassing even our most optimistic forecasts, these efforts paid off in 2017 when the South Carolina General Assembly passed a nonrefundable Earned Income Tax Credit (EITC) at 125 percent of the federal credit amount. Over half a million children live in families qualifying for the EITC and are now positioned to benefit from this smart investment in our collective future.

## **(legislative momentum)**

Building on the momentum of the Earned Income Tax Credit success, at the end of 2017, ICS, collaborating prominently within the America Forward coalition, began working on the federal level to advance two critical legislative priorities: maintaining critical child health safety-nets, and launching innovative Pay for Success (PFS) investments. Budget negotiations came to fruition in February 2018, when Congress authorized a bill in which *many* of these priorities were enacted. Thanks to the coordinated efforts of the Home Visiting coalition, the American Academy of Pediatrics, America Forward, ICS, and others, children and their families now have:

- 5 more years of quality Home Visiting through MIECHV, the Maternal, Infant, and Early Childhood Home Visiting Program
- 10 more years of access to health care through CHIP, the Children’s Health Insurance Program
- \$100 million to drive investment towards improving outcomes using Pay for Success projects from SIPRA, the Social Impact Partnerships to Pay for Results Act
- 2 more years of access to community health centers
- Significantly restructured federal support of child abuse and neglect interventions
- Double the investment in early care and learning supports from CCDBG, the Child Care Development Block Grant.

Further, this legislative momentum was also seen in South Carolina’s statehouse, which made progress on several important issues related to improving outcomes for children. Prominently, the General Assembly passed a 7-year reauthorization of South Carolina First Steps to School Readiness, concluding a multiple-year effort by of advocates and members of the statehouse to reauthorize and reform the agency supporting a range of services to all counties in the state. Also significant was the first introduction of a new School Readiness Tax Credit, a legislative priority based on evidence-based best practice that ICS will continue to advocate.



# convenings innovation and integration

## **(small talks)**

The ICS *Small Talks* event series reflects our commitment to knowledge sharing and leadership cultivation, providing quality professional development opportunities at no cost for participants. Over the past year, *Small Talks* events included a panel on the “discipline gap” in early childhood, with a focus on demographic disparities; discussing how to move from research to mobilization to policy change for children in partnership with the Jolley Foundation; and an evening discussing two-generation strategies to address childhood poverty with author JD Vance in collaboration with the New America Foundation in Washington, D.C. Event attendees benefited from the expertise of ICS staff, board members, research fellows, and community partners who helped bring these conversations to life.



## **(nurturing developing minds)**

In February 2018, ICS partnered with the GHS Children’s Hospital and the Bradshaw Institute to co-host the annual Nurturing Developing Minds Conference (NDM). A centerpiece of our research policy agenda for the year, ICS curated two of the four session tracks through a competitive call for proposals focused on “Early Childhood Education and Learning, In and Out of the Classroom” and “Promoting Optimal Health and Development.” ICS Senior Fellow Janice Gruendel served as the concluding plenary speaker for the NDM event, adjourning the conference with a rousing call to action for all those working for the good of young children.



ICS also hosted a series of pre-NDM conference events under our *Small Talks* banner, including a screening of the award-winning documentary *Resilience* and an interactive reaction session for service providers. Nearly 100 attendees then joined ICS for a cross-sector panel on the opioid epidemic and its implications for children. Participating experts came from Case Western Reserve University School of Medicine, the Bradshaw Institute for Community Child Health & Advocacy, the Charlotte-Mecklenburg Police Department, and Duke University.



## (STEAMing ahead)

STEAM—Science, Technology, Engineering, the Arts and Mathematics—presents a key area of interest in the world of early childhood education, yet providers and parents are often unsure how to incorporate these threads into children’s lives. To that end, ICS developed resources and events to address the need. In partnership with EdVenture Children’s Museum in Columbia, ICS hosted a panel event, *Early Math in the Classroom and Community*. The event showcased ICS’s new paper on the topic, authored by Clemson University professor Sandra Linder with a response panel of local and national experts.



As part of its *Creativity Connects* grant from the National Endowment for the Arts, ICS, the Wolf Trap Institute for Early Learning Through the Arts, and Openfields are hosting a series of convenings that bring together community leaders in five diverse cities to spark dialogue regarding early learning through the arts. The *Creativity Connects* events—held in Seattle, Milwaukee, and Charleston, with future events planned for Denver and California—integrate cutting-edge research, interactive performances, and workshops for systems-level leaders.



# advancing pay for success

## **(feasibility)**

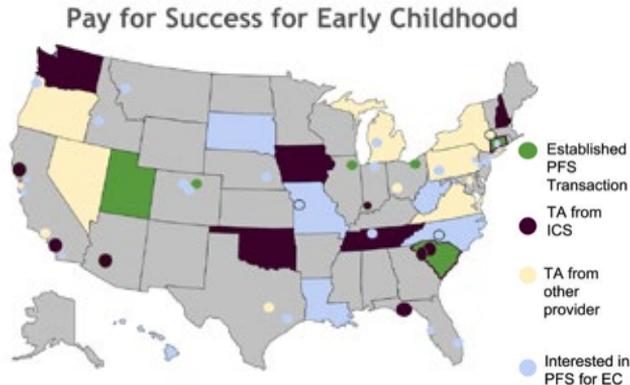
In 2013, ICS began its foray into the Pay for Success (PFS) field by conducting a “feasibility study” for the ultimate expansion of Nurse Family Partnership throughout South Carolina. A PFS feasibility study is often the first step a community or jurisdiction undertakes to determine whether the necessary ingredients exist for the success of the project.

Supported by the federal Social Innovation Fund (SIF), over the past year, ICS completed four PFS feasibility studies focused on early childhood programming: Evansville, Indiana; Tempe, Arizona; Orange County, California; and the state of Tennessee. Additionally, ICS began two SIF-supported feasibility studies in partnership with the City of Tallahassee Office of the Mayor, and the Oklahoma Department of Mental Health and Substance Abuse Services. Funded by a competitive grant received from the U.S. Department of Education, ICS is also leading a feasibility study on behalf of Legacy Early College in Greenville, SC. Legacy was one of only eight awardees from this national competitive process and represents the first charter school to formally explore a PFS project related to early childhood.

As an organization focused on the success of young children, ICS expertise and interest in feasibility studies transcend the PFS model itself. For example, while PFS was not found to be a feasible tool for the expansion of high-quality pre-K in Tempe, the ICS feasibility study catalyzed direct funding of preschool expansion for the city’s children. Beginning in August 2017, Tempe added 20 classrooms able to serve 360 income-eligible three and four-year-olds. This development is a testament to the collaborative feasibility study process and to the commitment of Tempe’s leaders.

## **(transaction structuring)**

Following a feasibility study, the next phase of work for a successful PFS project involves “transaction structuring,” where the benchmarks and detail involved in the project are negotiated and contracts are signed. ICS is currently leading our first transaction structuring project, working in partnership with the City of Spartanburg, the Mary Black Foundation, and



other community partners. Building from the successful 2016 feasibility study, the project will provide a continuum of services, including home visiting and additional parent supports. Within the envisioned *Hello Family* continuum of services, Spartanburg will implement a comprehensive early childhood support structure for families. This PFS project is

ground-breaking in the field: it is slated to be the first PFS project in a U.S. jurisdiction of its size, the first to include *multiple* early childhood interventions, and the first to prioritize serving *all* children in a community.

## (resources and convenings)

In early 2018, ICS released its cutting-edge policy brief, *Opportunities for Special Education and Early Intervention in Pay for Success*, exploring the goals of current PFS projects in consideration of special education outcomes. Designed to push the conversation to the next level, the publication considered how PFS can be used to expand and improve services for young children with disabilities? Developed over the course of several years, this brief is the first public resource to comprehensively explore the topic and involved extensive consultation with government agencies, service providers, evaluators, and advocacy groups.

The ICS team also continues to share its PFS expertise and passion with interested communities through participation in coalitions, conferences, and work groups across the nation. Over the past year, ICS presented at the Federal Reserve in Oklahoma City, the 2018 Mayor’s Summit on Children in Tallahassee, the City Council of Tempe, and during the DaSY PFS Learning Community supported by the U.S. Department of Education.

In June 2018, ICS will host its 4th *Pay for Success Convening of Early Childhood Advisors in Charlotte*, North Carolina. Drawing particularly from expertise gleaned through our three cohorts of SIF-supported studies, this two-day conference will bring together service providers, government, funders, philanthropy, and researchers to explore the future of early childhood policy and the impact of outcome-based financing opportunities to promote positive child and family outcomes. The conference, as in previous years, is attracting a national and international audience of participants.



# looking forward 2018 and beyond

## (the intersection of health, learning, and child wellbeing)

In the Spring of 2018, ICS unveiled a new 2018-2020 Strategic Framework. This plan renews ICS's commitment to framing and leveraging the intersections of health, learning, and child wellbeing as they relate to successful outcomes for young children and families. The new Strategic Framework also solidifies the ICS strategy of implementing our work through three interconnected, strategic pillars:

**Research:** Identifying and promoting effective practices based on applied research methods.

**Policy:** Building consensus, support, and funding for early childhood services, interventions, and legislation aimed at improving outcomes for young children.

**Leadership:** Modeling, encouraging, and cultivating catalytic innovative leadership in early childhood.

## (catalytic leadership)

Cross-sector convenings are at the heart of ICS efforts to cultivate catalytic, innovative leadership in early childhood, as well as our work to frame the dialogue surrounding challenges impacting children. In 2018, ICS will continue its innovative Small Talks series focused on building resilient systems, resilient children, and resilient policy. Further, ICS will encourage and support early childhood leadership equipped to envision, develop, and implement the innovative funding mechanisms needed to improve outcomes (including impact funding, tax and fiscal policy, Earned Income Tax Credits, and School Readiness Tax Credits).

In October 2018, ICS will also welcome participants to Colorado for the first of our Childhood Unplugged events. Attendees will wrestle with and discuss the impacts of technology and experiential-based learning on child development, explore opportunities to improve equitable access, and identify strategies to incorporate outdoor learning approaches. Additionally, ICS will continue to work with the National Education for the Arts, Wolf Trap Foundation for the Performing Arts, and OpenFields in presenting the *Creativity Connects* arts integration series, building from successes in Seattle, Milwaukee, and Charleston to bring the events to Denver and California.

## **(strong and sustainable systems governance)**

Systems supporting the success of young children and families depend on efficient, accountable, and strategic governance. In 2018, ICS will continue its policy research work to ensure that South Carolina and other jurisdictions are well served by enhancing existing systems through policy and legislation. In South Carolina, specifically, we will continue to advise government to consider creation of a research-informed, single, cabinet-level agency responsible for coordinating the plethora of programs and services impacting young children.

## **(new data report)**

Data are a cornerstone for sound decision-making and research related to young children. In 2018, ICS will publish the second edition of its *South Carolina Early Childhood Data Report*. Once completed, this report will serve as a comprehensive catalog in the public domain for use by everyone (policymakers, citizens, parents, providers, elected officials, and funders) with an interest in early childhood indicators of family environment, physical health, emotional well-being and cognitive development.

## **(future policy research)**

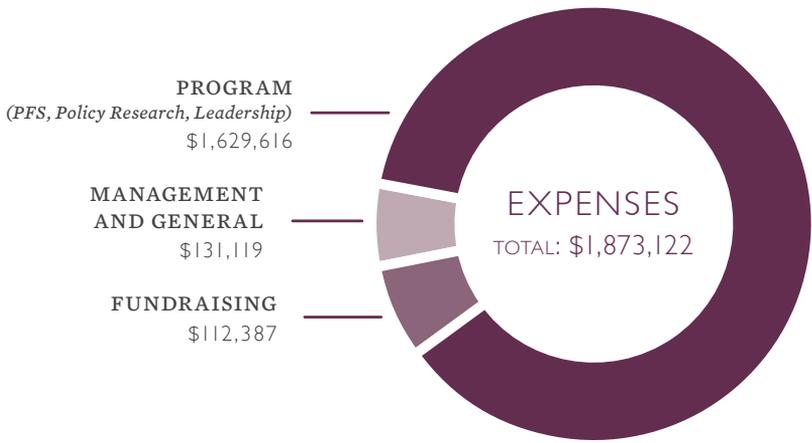
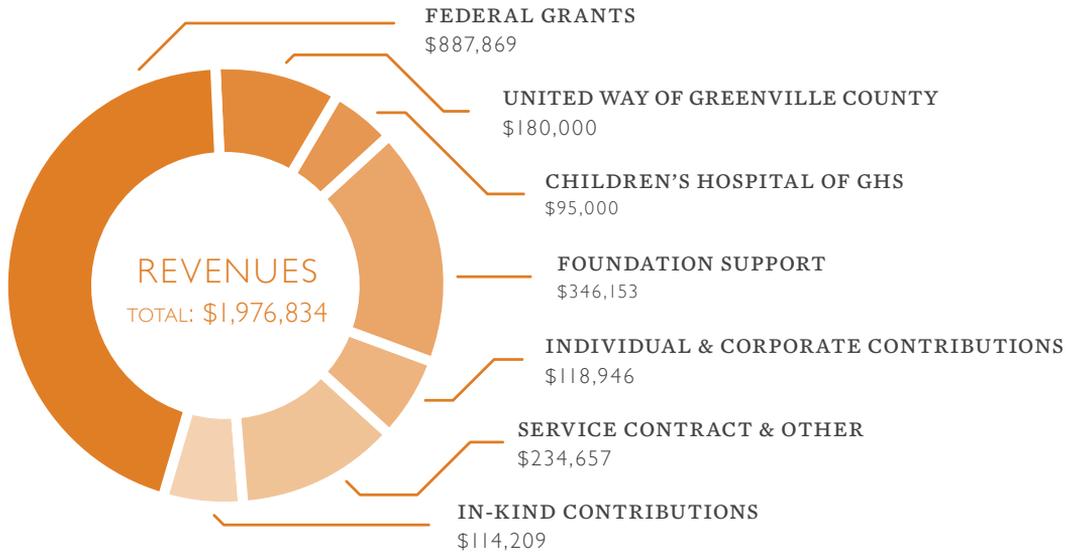
The ICS 2018 research agenda takes a deep dive into areas where cross-sector partnerships can make all the difference. Building from an enthusiastically received session at the NDM conference, ICS will publish a paper on medical-legal partnerships and produce a webinar on the topic. Additionally, we will release the next installment of the *When Brain Science Meets Public Policy* series, focused on families where one or more parents are absent. ICS will also work to improve the experience of kinship care families by creating resources for educators, medical professionals, and other professionals who work outside the child welfare system yet regularly interact with families.

Together with colleagues at the University of Florida, University of South Carolina, and Clemson University, ICS is undertaking a landmark project studying the prevalence of preschool suspension and expulsion practices in South Carolina. The upcoming paper will explore the demographic trends associated with these practices and recommend applied policy research approaches that may be taken to reverse adverse consequences.

Finally, through a collaboration with Greenville First Steps, ICS is working on a comprehensive study that will align the recently introduced *Palmetto Basics* campaign with evidence-based interventions that can contribute to the shared goal of improving outcomes for children.



# finances and support



THE 2017 FINANCIALS ARE PRELIMINARY AND UNAUDITED. FOR 2012-2016 AUDITED FINANCIALS AND FORM 990S, PLEASE VISIT THE ICS WEBSITE.

The innovative and transformative work of ICS is made possible by the generosity of our supporters. We thank those individuals, foundations, corporations, and organizations that contribute to the sustainability and success of ICS.

## (founded and fueled by)



## (fueled by)

The Institute for Child Success is also fueled by the BlueCross BlueShield Foundation of South Carolina, the Mary Black Foundation, and BlueCross BlueShield of South Carolina, an independent licensee of the BlueCross and BlueShield Association.

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Headquartered in Greenville, South Carolina, the Institute for Child Success (ICS) is an independent, nonpartisan, nonprofit research and policy organization dedicated to the success of all young children. ICS pursues its mission by:

- Proposing smart public policies, grounded in research.
- Advising governments, nonprofits, foundations, and other stakeholders on strategies to improve outcomes.
- Sharing knowledge, convening stakeholders, embracing solutions, and accelerating impact.
- Modeling, encouraging and cultivating catalytic, innovative leadership in early childhood.