



U.S. Department of Education PDG Annual Performance Report Executive Summary

Based on ED 524B OMB No. 1894-0003 Exp. 06/30/2017

Grantee State: VT

PR/Award #: S419B150008

You are required to submit an Executive Summary of up to 3000 words with your Annual Performance Report. This summary should relate to your approved application and summarize the goals and objectives that have been achieved under your grant, what you learned, and any evaluation results. Describe any unanticipated outcomes or benefits from your project and any barriers that you may have encountered. If there have been any changes to the project from the approved application, those should be explained as well.

Executive Summary

Summarize the goals and objectives that have been achieved under your grant

Two Goals

The State progressed toward achieving the Preschool Development Grant's (PDG) two goals: 1) Implementing and sustaining High-Quality Preschool Programs (HQPPs) that reach and serve additional 1459 PDG-eligible children in 33 High-Need Communities by Year 4; and 2) Enhancing preschool program infrastructure and capacity to deliver HQPPs.

Goal 1: Implementing and sustaining HQPPs that reach and serve additional 1459 PDG-eligible children in 33 High-Need Communities by Year 4

In its PDG application, the State requested \$7,231,681 in Year 1 federal PDG funds to pay for 498 new PDG slots and improve 795 existing slots to serve PDG-eligible children in the first year of funding. These 1,293 PreK slots represented an expansion of access to a total of 49.90% of Vermont's eligible four-year-olds. Because of the barriers described below, the State used the PDG to fund 359 or 17.6 percent of PDG-eligible children served by HQPPs in Year 1. Although the Year 1 figures fell short, the State expects to catch up to our PDG application's Year 4 figures of 1,818 (70.17%) PDG-eligible children served statewide by HQPPs by Year 4.

Vermont defined "high-needs communities" as Supervisory Unions (SUs) and Supervisory Districts (SDs) (LEAs) that have 25% or more of their children at or below 200% of the Federal Poverty Level (FPL). To ensure the PDG project's statewide reach and take advantage of Vermont's mixed preschool delivery system, the State proposed a total of 33 PDG subgrantees (all seven of Vermont's Head Start programs and 26 of Vermont's SUs and SDs) in approximately 150 high needs communities statewide would participate in the PDG. Through a rigorous PDG subgrantee application process involving the Governor's Office, the Agency of Education (AOE), and Agency of Human Services (AHS), PDG subgrantees were required to submit very detailed PDG applications describing how they would meet the PDG requirements and implement and sustain HQPPs as defined under the PDG.

Based upon a rigorous review of these detailed PDG applications, AOE awarded PDG grants to 16 PDG subgrantees consisting of three Head Start programs and 13 SU/SDs in Year 1.

Because of the barriers explained below, the State fell short of its goal to have 33 PDG Subgrantees in Year 1. The State expects that the numbers of PDG subgrantees -- both Head Start programs and SUs/SDs will increase in Year 2.

Goal 2: Enhancing preschool program infrastructure and capacity to deliver HQPPs.

Vermont has made incremental progress spending five percent of total PDG funds for administrative purposes.

The application indicated the PDG funds would be used to hire Program and Fiscal Managers, to fund a contract for external program evaluation and use limited expenses relating to travel and equipment. The application indicated that the two positions would manage the PDG implementation statewide. The PDG Program Manager would provide technical assistance to subgrantees and create, facilitate, and support a Professional Learning Community enabling subgrantees to share best practices, collaborate on training and professional development, and support each other in developing HQPPs. Despite repeated recruitment efforts, a suitable candidate for this position has not been found. In an effort to create a more attractive position, Agency of Education (AOE) staff are currently working to get permission to convert the limited service position to a contract.

As will be described later in this report AOE and AHS staff have worked hard to make whatever support is possible to subgrantees. They have participated in trainings and technical assistance relevant to enhancing infrastructure and capacity.

Vermont also planned to hire a Fiscal Manager to support the grant's objective of creating and training a cohort of PDG subgrantees to become experts over the course of the grant period in properly braiding funding streams for the enhancement of program sustainability. The Fiscal Manager would provide technical assistance to subgrantees to educate them about state and federal requirements of the various funding streams available to subgrantees in order to support the sustainability of their HQPPs. This would include developing business plans for private providers that would assist them in using the grant monies to conduct use available funds during the grant period to maximize the impact of the funds. Another function of the Fiscal Manager would be to train all subgrantees in effective practices for sustaining programming beyond the four-year grant period.. The Fiscal Manager would also train relevant agency staff over the course of the grant period to build up expertise within AOE and Agency of Human Services on funding sources available to support high quality preschool programs, the requirements of those funding sources and how to appropriately braid these funding streams. Since this position is to be supervised by the Grant Manager it also has not been filled.

The mismatch between some PDG requirements with features of Vermont's pre-kindergarten landscape and misunderstanding about the application of federal cost allocation principles created barriers for potential subgrantees. Vermont's statutory requirement to have the Joint Fiscal Office approve acceptance of federal grant funds before they can be spent caused a three month delay in PDG implementation between January 27, 2015 when AOE received Vermont's Grant Award Notification from the U.S. Department of Education and April 20, 2015 when acceptance of the funds was approved. A high number of potential subgrantees in rural areas where economies of scale contributed to a higher cost per child led to a protracted subgrantee recruitment and subgranting negotiation process. Prevalence of mixed-age and mixed socio-economic classrooms resulted in the frequent application of the PDG supplanting requirements. This meant that PDG subgrantees had to raise non-federal PDEG funds in a very compressed timeframe and was a major factor why many potential PDG subgrantees decided to defer until Year 2 to become a PDG subgrantee. In addition, there was some initial confusion about how cost allocation principles generally used by Head Start applied to this grant.

The PDG application indicated that private philanthropic dollars, part of Vermont's 58% match of requested PDG funds, would support mentoring to increase the number of licensed early education teachers in Vermont. This is one of the successes of the grant. A group consisting of staff from AOE, AHS and representatives of higher education and philanthropic organizations began meeting during the summer of 2015. In Vermont educator licensing is required for all PreK programs. To be eligible for an educator license professionals need to have a B.S or MA in the related field. A provisional license is a bridge to full licensure for Vermont educators. who hold a degree and have a two year plan to meet licensing requirements. While there were many individuals who had bachelor's degrees and teaching endorsements in fields other than early childhood, superintendents were reluctant to sign off on and supervise staff working in private programs. The working group developed a proposal that was approved by the Secretary of Education that allows the Secretary to request the provisional license. Supervision and mentoring is being funded and staffed by philanthropic organizations. An cohort of twenty-five obtained provisional licenses and began work in the fall and a second cohort of twenty five is starting soon. Two teachers with provisional license are located in PDG subgrantee classrooms.

Vermont children have benefitted from the first year implementation of the PDG. The quality and dosage of school-based, private and Head Start-operated prekindergarten education programs serving for four-year-olds under 200% FPL was significantly increased. Capacity and infrastructure within Vermont's preschool system has increased. State agency and PDG subgrantees increased their knowledge about the financing of prekindergarten and appropriate braiding of federal PDG funds with other federal and state funding streams to provide high-quality full-day pre-kindergarten education to PDG-eligible children. The salaries of Head Start and private provider teachers in PDG funded classrooms were raised to those of public school teachers in their community. Subgrantees were able to provide transportation using grant funds. This allowed eligible children who might not otherwise been able to attend preschool to attend. Several subgrantees found creative ways to maintain mixed age and income classrooms while appropriately using funds for eligible children. A long time shortage of licensed early educators has been addressed through a creative collaboration among philanthropic organizations, state agencies and higher education institutions.

An unexpected benefit of the grant has been the increased collaboration among the Vermont Agency of Education, Head Start PDG subgrantees, and the Vermont Head Start State Collaboration Office in the Agency of Human Services. Grant implementation highlighted the need for new facilities which resulted in the publication of the Vermont Head Start State Collaboration Office-funded September 2015 report titled, "Understanding and Assessing the Facility Needs of Vermont's Early Learning and Development Programs." See http://dcf.vermont.gov/sites/dcf/files/CDD/Reports/VT_EC_Facilities_Need_Report.pdf.

Several valuable lessons have been learned in the first year of PDG implementation. The first year plan proved to be overly ambitious. Only sixteen of the thirty three entities that had signed on to participate in the grant actually ended up as subgrantees despite extensive contact and support. A major reason for this was the complexity of working through allowable funding for the grant activities and sustainability requirements. After the initial 33 programs were provided with a PDEG guidance and FAQ, one challenge that caused Head Start, public schools, and private entities not to participate was the need for creating new classrooms and new facilities and grant funds do not support construction of major renovation. Rutland County Head Start wanted to apply as a Year 1 subgrantee, but it decided against applying in Year 1 after its program director learned from the State PDEG team and the PDEG FAQ that PDEG funds would not pay for major building renovations to build a PDEG classroom. Other factors included the challenge of maintaining mixed age and income classrooms when the grant could only fund the percentage of cost for eligible children, the funding pressures SU/SDs were feeling as Act 46, a new state law that caps education funding took effect and the partial implementation of a universal access to preschool law.

These lessons will shape our actions as we begin recruiting subgrantees for year 2. We are currently revising application for year two. We will have very clear directions and forms to support the budgeting process. We will be able to provide succinct and accurate information about allowable uses of grant funds and give examples of how year 1 subgrantees have used funds to improve quality programs. Most importantly we will have success stories from current subgrantees that will show how some of the limitations the grant imposes have been turned into opportunities in Vermont communities. Some examples include using local dollars or grant funds to complete renovations and to maintain mixed income and age classrooms. Our plan is to disseminate applications directly to the 17 entities that signed on to participate in year one as well as using our weekly field memo distributed to all 59 supervisory unions