

**PRESCHOOL DEVELOPMENT GRANTS**

**FY 2014 Competition**

**Preschool Development Grants--Development Grants**

**&**

**Preschool Development Grants--Expansion Grants**

**Guidance and Frequently Asked Questions for Applicants**

**Addendum 1**



**U.S. Department of Education**

**U.S. Department of Health and Human Services**

**Washington, D.C.**

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## PURPOSE OF THIS ADDENDUM

This document revises the August 13, 2014 Preschool Development Grants (PDG), FY 2014 Competition, Frequently Asked Questions document (available at: <http://www2.ed.gov/programs/preschooldevelopmentgrants/faq.html>) by revising E-7 and by adding: B-20a, C-10, C-12, E-16, and F-12. The Departments will incorporate these new questions into the complete guidance document and post that revised guidance document on the Preschool Development Grants Web page in the coming weeks.

**B-20a What is the distinction among an Early Learning Provider, a Subgrantee, and a High-Need Community?**

In general, an Early Learning Provider is the entity that will implement or expand a High-Quality Preschool Program funded under the Preschool Development Grants program, and a Subgrantee is an Early Learning Provider that receives a subgrant from a participating State for this purpose. To receive such a subgrant, the Early Learning Provider must serve a High-Need Community.

In their ambitious and achievable plans, applicants to both the Preschool Development Grants--Development Grants and Preschool Development Grants--Expansion Grants will describe how they will provide voluntary, High-Quality Preschool Programs for Eligible Children through subgrants to Subgrantees that are Early Learning Providers serving High-Need Communities. Please see FAQ C-10 for clarification on the number of High-Need Communities and Subgrantees that applicants for the two different competitions need to include in their applications.

As included in the definitions from the Notice Inviting Applications, a “High-Need Community” is a geographically defined area, such as a city, town, county, neighborhood, district, rural or tribal area, or consortium thereof, with a high level of need as determined by the State. An “Early Learning Provider” is an entity that carries out an early childhood education program in a High-Need Community. The entity could be an LEA, a charter school, an educational service agency, a Head Start program, a licensed child care provider, a municipality or other local government agency, a tribe or Indian organization, an institution of higher education, a library, a museum, another eligible licensed provider as defined by the State, or a consortium of these entities. A “Subgrantee” is an Early Learning Provider that serves at least one High-Need Community that receives a subgrant from the State, and is participating in the State’s ambitious and achievable plan.

**C-10 How many communities does an applicant need to include in its application?**

Preschool Development Grant--Development Grants

A Preschool Development Grant--Development Grants applicant must ensure that at least one High-Need Community in the State is included in its plan.

Preschool Development Grant--Expansion Grants

A Preschool Development Grant--Expansion Grants applicant must ensure that at least two High-Need Communities in the State are included in its plan. Note that the applicant must propose to work with at least one Subgrantee, but one Subgrantee may serve two or more High-Need Communities.

**C-11 May Preschool Development Grant funds be used to support preschool services for children from families with incomes above 200 percent of the Federal Poverty Line?**

No. Grantees may serve only Eligible Children, defined as four-year-old children from families whose income is at or below 200 percent of the Federal Poverty Line. However, we strongly encourage Eligible Children be served in mixed-income class settings, as described in Selection Criteria (E)(7), provided that Preschool Development Grant funds are used only to support Eligible Children and that the program meets the definition of a High-Quality Preschool Program.

**E-16 How does an applicant determine whether a State Preschool Program slot is “new” or “improved”? (See Selection Criterion (D)(4)(b))**

A “new” State Preschool Program slot is a slot that will be created through the work described in the State’s application using the Preschool Development Grants funds, and will be created using the additional funding described in the State’s application to the Preschool Development Grants Program. If the State receives a grant and can fund the “new” slot, it *will increase* the number of overall State Preschool Program slots in the State, and therefore will count towards Competitive Preference Priority 3.

An “improved” State Preschool Program slot is a State Preschool Program slot that already existed at the time of application and will be improved to meet the definition of a High-Quality Preschool Program slot through the work described in the State’s application. Specifically, Preschool Development Grant funds can be spent on any of the five improvements described in Selection Criterion (D)(4)(b)(ii):

- Extending programs from half-day to Full-Day;
- Limiting class size to 20 and decreasing child-to-staff ratios to 1:10;
- Employing and compensating a teacher with a bachelor’s degree;
- Providing in-service, evidence-based professional development, such as coaching; or
- Providing Comprehensive Services.

Note that, any preschool program must meet all of the characteristics specified in that definition in order to qualify as a High-Quality Preschool Program. However, only preschool programs receiving Preschool Development Grant funds must meet this definition.

Although funding an “improved” slot will increase the number of children served in High-Quality Preschool, funding an “improved” slot *will not increase* the total number of State Preschool Program slots in the State, and therefore will not count towards Competitive Preference Priority 3.

On the other hand, using Preschool Development Grant funds to improve a slot that is not a State Preschool Program slot so that it is a High-Quality Preschool Program slot *will increase* the total number of State Preschool Program slots in the State, and therefore will

count toward Competitive Priority 3. For example, an existing federally-funded Head Start slot is not currently part of the State’s Preschool Program because it does not meet the definition of State Preschool Program; it is not “predominately supported with State funds.” Therefore, using Preschool Development Grant funds to enhance a federally-funded Head Start slot would not count as “improving” that slot. If the slot funded with Preschool Development Grant funds meets the definition of High-Quality Preschool Program, it would count as a “new” slot.

**F-12 May all of a State’s funds appropriated for the fiscal year prior to the first year of the grant period (i.e. FY 2014 funds) be used to meet the requirements of Competitive Preference Priority 1?**

No. Only *increased* State funding in FY 2014 or the State fiscal year prior to the first year of the grant period may count towards the State’s match as part of Competitive Preference Priority 1. For example, a State that invested \$3,000,000 in its State Preschool Program in FY 2013 and \$4,000,000 in FY 2014 may count \$1,000,000 towards its match as part of Competitive Priority 1. This amount should be entered into Competitive Preference Priority 1 Table in the cell labeled “FY 2014 Investment.”

Note that the instructions to Part II of Table A in the Excel spreadsheets have been modified to clarify that only *increased* State funding in the State fiscal year prior to the first year of the grant period may count towards Competitive Preference Priority 1.

**Note: Below is the revised response to FAQ E-7.**

**E-7 Are States required to submit a memorandum of understanding (MOU) with each Subgrantee as part of their applications?**

Preschool Development Grants--Development Grants

No. States applying for Preschool Development Grants--Development Grants are not required to submit MOUs as part of their applications. Nor are these States required to have chosen each Subgrantee at the time they apply.

However, as explained in Selection Criterion (D)(1), a Preschool Development Grant--Development Grants applicant that has already selected each High-Need Community to be served will be eligible for additional points. As part of the evidence for Selection Criterion (D)(1)(a), the applicant could choose to present a letter of support or preliminary MOU from identified Subgrantees in each High-Need Community that the applicant has chosen to work with. However, an applicant is not required to do so in order to be eligible for the additional points under that criterion. An applicant could present other evidence of support from each High-Need Community, such as a letter of support from representatives of the High-Need Community.

Preschool Development Grants--Expansion Grants

Yes. Under Application Requirement (f), a State applying for a Preschool Development Grant--Expansion Grant must submit a letter of support or preliminary binding agreement, such as a preliminary MOU, from each identified Subgrantee attesting to the Subgrantee's participation. Program Requirement (n) requires the State to submit a final, signed MOU or other binding agreement between the State's Lead Agency and each Subgrantee within 90 days after receiving an award. The Departments have included a model MOU in the application package to assist grantees in fulfilling Program Requirement (n).