



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

January 10, 2017

Secretary Rebecca Holcombe
Vermont Agency of Education
219 North Main Street, Suite 402
Barre, Vermont 05641

Dear Rebecca Holcombe:

On September 26-28, 2016, a team from the U.S. Department of Education (ED) (the Department) conducted an onsite monitoring of the Vermont Agency of Education's (AOE) implementation of its approved Preschool Development Grant (PDG). This monitoring aims to continue the collaborative relationship that began at the grant award and development of the scope of work. It provides the Department with a deeper understanding of each State's overall performance; the successes, challenges, and strategies for the implementation of its plans for its PDG Development grant; and the fiscal management of the grant funds. It also helps us tailor technical assistance to each State's specific needs.

The site visit included presentations and discussions related to all projects in the approved scope of work, including grants management, high-quality preschool programs, early learning standards, comprehensive services, workforce development, and sustainability. During the visit, ED project officers visited the Vermont Agency of Education and several Preschool classrooms located in five high-need communities: Capstone Head Start, St. Johnsbury School District, Northeast Kingdom Head Start, Chittenden Central Supervisory Union and Burlington School District.

Enclosed is a summary report based upon this review. The report includes highlights of Vermont's implementation of PDG and a snapshot of Vermont's progress under each PDG key area. This report will be posted on the PDG website. The report includes "next steps" to ensure that Vermont implements PDG consistent with its approved application, scope of work, and timelines identified in its project plans.

We want to thank you and your staff for your cooperation and hospitality during the site visit, and for your efforts in providing high quality preschool opportunities through the Preschool Development Grant. As we have discussed and as detailed further in this report, Vermont is receiving a corrective action report as a result of the visit. As such, a written response to the corrective action is expected by January 30, 2017. We hope you will continue to communicate any needs or concerns to your ED project officer(s).

We look forward to continuing our work with you and supporting Vermont's technical assistance needs to ensure successful implementation of PDG. Thank you for your commitment to Vermont's youngest children.

Sincerely,

/s/

Libby Doggett
Deputy Assistant Secretary
Office of Early Learning
Office of Elementary and Secondary Education
U.S. Department of Education

Enclosure



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PDG Site Visit Report

Monitoring Information	
State Lead Agency	Vermont Agency of Education
State Participating Agency(s)	Vermont Agency of Education
Grant Period	January 1, 2015-December 31, 2019
Current Year of Grant	January 1, 2016-December 31, 2016
PDG Monitoring Period	May 2016 – September 30, 2016
PDG Monitoring Activity (Desk or Onsite)	Onsite
Monitoring Review Date(s)	September 26, 2016-September 28, 2016
State Participants/Project Leads	Karin Edwards, Kate Rodgers, Ben Allen
U.S. Department of Education Project Officer(s)	Rubén J Vázquez and Steven Hicks

Overview of PDG Monitoring

The Department of Education (the Department) is committed to supporting States as they implement the expansion of high-quality preschool programs for eligible children through their PDG grant. Consistent with this commitment, the Department has designed a monitoring process to assess a State’s implementation of the program requirements and its approved Scope of Work for PDG and the State-level systems and processes needed to support implementation.

During the recent onsite monitoring, Vermont's implementation of PDG was reviewed across several key areas which represent the core priorities for implementation as outlined in the PDG Monitoring Tool: Capacity Building and Increasing Slots, Subrecipient Monitoring, Birth to Third Grade Continuum, Budget and Sustainability, and Fiscal Accountability. In each area, the Department identified key elements that are required under PDG and are likely to increase the access to and quality of State Preschool programs and lead to increased high-quality opportunities for young children and their families.

Vermont was identified for a site visit based on the following factors:

- Vermont has had challenges fully implementing new high-quality preschool programs; and
- Vermont's number and percentage of children to be served in year 1 is significantly less than the target numbers identified in the State application.

The report contains the following sections:

- ***Summary of Visit.*** This section describes, in brief, the topics covered, the lead agency and subrecipients visited, as well as personnel participation in any meetings or activities.
- ***Highlights of the State's Implementation.*** This section identifies key accomplishments in the State's implementation of PDG as identified during the site visit.
- ***Status of Implementation of PDG.*** This section indicates the State's implementation progress based on the monitoring and information collected.
- ***Elements Requiring Next Steps.*** This section identifies any elements for which the State is not on target for meeting its timelines outlined in the approved scope of work and includes next steps that the State must take to meet the grant outcomes, as identified during the monitoring.
- ***Recommendations to Strengthen Implementation.*** This section provides recommendations to support the State in continuing to meet the goals and timelines of its PDG grant, as identified during the monitoring.
- ***Additional Comment.*** As appropriate, this section includes any additional information related to the State's implementation of PDG not included elsewhere.

Summary of Visit

The PDG onsite monitoring visit for Vermont was conducted September 26-28, 2016. During the first day of the visit, ED project officers discussed a variety of topics with the Vermont Agency of Education (AOE) and Vermont Agency of Human Services (AOHS) staff pertaining to PDG implementation. Discussions included the targets and actual number of students served; recruitment of educators with high staff qualifications; challenges with space and buildings; comparable salaries; non-Federal matching funds; processes for tracking funds and reimbursing subgrantees; outreach activities such as student recruitment; and the State's capacity to create new and improved high-quality preschool slots. On the same day, ED, AOE and AOHS officials visited Capstone Community Action. Capstone Head Start, a Head Start center administered by

Capstone Community Action, provides early care and education services to low-income children and engages families in their children's development and well-being serving the counties of Lamoille, Orange and Washington. Capstone Head Start offers an inclusive 6 ½ - hour- day preschool program for 13 children. Capstone Head Start provides children and families a broad range of services that lead to positive child outcomes including: parent education and training, family health and nutrition resources, access to physical and mental health services, disability services, and resources on assisting with child behavior and more.

The second day of the visit, ED, AOE and AOHS officials visited two PDG sites: St. Johnsbury School District and Northeast Kingdom Head Start. The Johnsbury School District offers a full-day preschool program for 43 students. The Johnsbury School District provides all sites guidance on working with children and families, instructional equipment and materials, professional development, playground equipment, and furniture. The Northeastern Kingdom Head Start offers a full- day preschool program for 20 children. In addition to providing high-quality preschool programs and family programs, the Northeastern Kingdom Head Start provides eligible PDG children with a comprehensive health program that includes immunizations, medical, dental, mental health, and nutritional services; services for children with special needs; and parental involvement training that includes parenting education.

The final day of the visit, ED, AOE and AOHS officials visited Chittenden Central Supervisory Union and Burlington School District. The Chittenden Central Supervisory Union and Burlington School District offer full-day programs, serving 14 children and 15 children respectively. Both subgrantees offer a broad range of services which include: parental involvement, home visits, instructional materials, professional development.

During the afternoon, ED staff met with AOE officials to discuss preliminary observations from the visit including: State monitoring of subgrantees, professional development for subgrantees and future strategies for identifying more for dual language learners. Additionally, ED and State staff discussed the State's challenges serving the targeted number of children resulted in discussions about potential solutions, such as additional outreach options and recruitment efforts.

Status of Implementation of PDG

In the onsite monitoring, the Department used a monitoring and accountability rubric to help determine progress of the State's implementation. The rubric includes three implementation status levels:

- **Level 1 – *Developing***: the State is in the process of developing this activity, or the activity is very new. The State may be facing challenges in implementation, roll-out, or communications with subrecipients and other stakeholders.

- **Level 2 – *Implementing***: the State has developed and implemented the activity, although the activity might still benefit from adjustments, training, or communications with subrecipients and other stakeholders.
- **Level 3 – *Sustaining & Continuing Improvement***: the activity is well-established in the State, and may be undergoing a process of evaluation or program improvement. Subrecipients, stakeholders and users have been trained and/or communications strategies have been established.

Element	Status
Capacity Building and Increasing Slots	
The State public awareness and recruitment activities are targeted towards eligible 4 year old children in high need communities and families 200 percent below poverty.	Level 2-Implementing
The State's expansion efforts are targeted towards increasing the access to high quality preschool programs for 4 year olds.	Level 1-Developing
The State has a plan to ensure that existing State Preschool slots met the twelve standards of a High Quality Preschool Program under the PDG funding.	Level 1-Developing
Subrecipient Monitoring	
The State Lead Agency has a process to monitor grant and sub-recipients activities to ensure implementation of the goals and performance measures outlined in the approved PDG State Plan.	Level 1-Developing
The State is on schedule with its monitoring of subrecipients to ensure that all of the high quality standards for Preschool are met within PDG funded preschool classrooms.	Level 1-Developing
The State is providing access to comprehensive services to all children enrolled in the PDG funded preschool classrooms.	Level 2-Implementing
Birth to Third Grade Continuum	
The State has aligned the PDG funded program within the Birth to Third Grade Continuum of early learning standards and activities that help prepare children for kindergarten thru third grade.	Level 2-Implementing
The State is implementing a data collection system for tracking student outcomes from prekindergarten to kindergarten entry through third grade.	Level 2-Implementing
The State is implementing a transition protocol to ensure that children transitioning from early care and education environments to kindergarten to third grade settings receive the supports necessary for a smooth transition.	Level 2-Implementing
Budget and Sustainability	
The State has policies and procedures to track the State and Subrecipient budget activities to ensure that funds are expended according to State, Local and Federal procurement laws.	Level 1-Developing
The State has in place a system to track the "use of funds" under the PDG grant.	Level 1-Developing
The State has a plan to ensure that High Quality State Preschool Programs will remain of high quality after federal funds are no longer available.	Level 1-Developing

Fiscal Accountability	
The State has policies and procedures in place to ensure the grant funds are expended according to the federal laws outlined in the federal Super Circular and EDGAR.	Level 1-Developing
The State has a system in place to ensure that its Subrecipients are meeting the federal laws of the Super Circular and comply with the “supplement not supplant” requirements.	Level 1-Developing

Highlights of the State’s PDG Implementation

- AOE is fully implementing Universal Pre-Kindergarten (Pre-K) State Program for all 3, 4 and 5 year old children who are not enrolled in Kindergarten in Vermont. The new law, Act 166, requires school districts to provide access to at least 10 hours of instruction for 35 weeks to any preschool-aged child.
- AOE requires that all educators in preschool programs be licensed. To be eligible for an educator’s license, a professional must have a Bachelor’s Degree or a Master’s Degree in a field related to early childhood education.
- Vermont Early Learning Standards (birth through grade 3) were approved by the State Board of Education in August 2015 and the State provided regional trainings and support for all PDG subgrantees.

Recommendations to Strengthen Implementation

- The AOE has not demonstrated that it is providing enough technical assistance for its subgrantees. The State should develop a timeline and plan to provide technical assistance to PDG subgrantees on a regular basis. The State should consider providing additional training to its subgrantees; for example, monthly calls, webinars, technical assistance meetings and/or annual PDG conferences.

Elements Requiring Next Steps:

Through its onsite monitoring, annual performance reporting and monthly calls over the past year, the Department has noted its concern about AOE’s implementation of its PDG grant. The areas of concern are: State capacity and ability to increase the number of high-quality preschool slots; sub-recipient monitoring; and fiscal accountability. As a result of its program review and ongoing monthly calls, the Department is imposing a Corrective Action Plan (CAP) targeted on the following areas:

1. Pre-K facilities and staff across the State have been working to implement Act 166, which has impacted the number of facilities and staff that can participate in the PDG subgrants. The Department has approved Vermont's revised plan and targets for serving eligible children in PDG-funded classrooms. As many of Vermont's low income children participate in the State's universal PreK, the Department encourages AOE to continue working with head start programs to provide high-quality preschool program improved slots to eligible children, as it committed to in its approved application. By January 30, 2017, Vermont must submit a plan to meet or exceed the revised targets for numbers of children served in High-Quality Preschool Programs in Years 3 and 4. If AOE is not able to make create new and/or improved slots to provide preschool programs under this grant, the State must find other methods of outreach/recruitment and/or secure new subrecipients to help meet its program goals. Vermont must also spend at least 95% of its PDG funds on High-Quality Preschool Programs for Eligible Children
2. AOE has not implemented a process to monitor PDG subgrantees for compliance with all programmatic and fiscal requirements. By January 30, 2017, AOE must submit to ED a revised plan, for monitoring its PDG subgrantees, including procedures, protocols, and a schedule, as well as evidence that the State is implementing this plan beginning in Spring 2017. The AOE must also submit to ED evidence that the State has established corrective action procedures to ensure that PDG subgrantees effectively address and resolve compliance issues and that it provides PDG subgrantees an explanation of any concerns, recommendations and/or commendations, and clear expectations and timelines for resolving such concerns. For example, the State could propose to establish a procedure by which it provides subgrantees with formal reports following every monitoring visit containing such information.
3. On September 23, 2016, the Vermont Agency of Education submitted an amendment request to decrease the number of children served in PDG classrooms, as well as to update its budget to more accurately reflect the cost of a high-quality preschool program slot. The AOE must submit to ED a revised, detailed scope of work and budget reflecting all changes associated with this amendment.

Additional Comments

As part of the grant requirement, AOE submitted a Scope of Work (SOW) that was reviewed and approved by the Department. The SOW should be updated monthly, a week prior to the monthly call, to consistently record timelines as they shift. Vermont has not updated the SOW regularly. The project officer will continue to monitor the progress through monthly phone calls.

Corrective Action Plan (CAP) Template

This Corrective Action Plan (CAP) template is a tool to help staff address the grant requirements in the PDG grant while working together to create meaningful, practical, and supportive CAPs. It uses the steps and tracking below.

Step I. Areas Identified for Improvement (examples)

- **State's new and improved slots targets**
- **Fiscal Requirements**
- **Subgrantee Monitoring**

Step II. Goals and Professional Responsibilities

- **Goals and responsibilities to be developed for each area of deficiency**
- **Team has 30 days to submit CAP**

Step III. CAP Progress Summary

- **Request a quarterly report in writing on the progress of the CAP with sub reports on targeted tasks monthly in advance of each monthly call with Program Officer**

Interim Review of CAP Progress

- **6 month review by Project Officer from date of signed CAP**

Summative Review of CAP Progress

- **12 month review by Project Officer from date of signed CAP**

Corrective Action Plan (CAP) Template

State Name:	State Agency on Grant:	Date
Vermont	Vermont Agency of Education	
Project Officer Name :	Date of Monitoring Visit:	Plan Begin/End Dates
Ruben J Vazquez	September 26-28, 2016	

I. Areas Identified for Improvement

No.	Areas Identified for Improvement	Sources of Information/Evidence	Corresponding Component (if applicable)
1	Building capacity and slots	Revised Plan and Documentation showing capacity reached (and recruitment efforts) with eligible preschool children being served in a high quality preschool program	
2	Sub-recipient monitoring	Revised Plan Evidence of feedback report to subgrantees including documentation of findings, recommendations and commendations etc	
3	Fiscal accountability	Spend at least 95% of its PDG funds on High-Quality Preschool Programs for Eligible Children	
4			

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II. Goals and Professional Responsibilities

Area No.	Demonstrable Goals	Staff Member Responsibilities	Supervisor Responsibilities	Completion Date	Estimated Hours
1					
2					
3					

Area No.	Demonstrable Goals	Staff Member Responsibilities	Supervisor Responsibilities	Completion Date	Estimated Hours
4					
5					

My signature below indicates that the leadership team and I have received a copy of this Corrective Action Plan and that I understand and contributed to its contents.

Lead Agency Signature: _____ **Date:** _____

Leadership Team Member Signature: _____ **Date:** _____

Leadership Team Member Signature: _____ **Date:** _____

Leadership Team Member Signature: _____ **Date:** _____

III. CAP Progress Summary

Interim Review of CAP Progress

Area No.	Demonstrated Progress	Sources of Evidence	CAP Revisions (if applicable)	Review Date
1				
2				
3				

My signature below indicates that the leadership team and I have reviewed the information recorded in the Interim Review of CAP Progress and that I understand its contents:

Lead Agency Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____

Summative Review of CAP Progress

Area No.	Demonstrable Goals	Expectations Met (Y) or Not Met (N)	Sources of Evidence	Review Date
1				
2				
3				

My signature below indicates that the leadership team and I have reviewed the information recorded in the Summative Review of CAP Progress and that I understand its contents:

Lead Agency Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____

Leadership Team Member Signature: _____ Date: _____