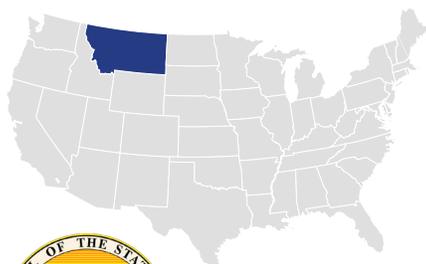


# PRESCHOOL DEVELOPMENT GRANTS

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## 2015 ANNUAL PERFORMANCE REPORT

### Montana





# U.S. Department of Education PDG Grant Performance Report Cover Sheet

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

Check only one box per Program Office instructions.  Annual Performance Report  Final Performance Report

## General Information

1. PR/Award #: S419A150015 2. Grantee Federal Information Processing Code: 16

3. Project Title: Preschool Development Grant- Development

4. Grantee Name: Montana Office of Public Instruction

5. Grantee Address: 1227 11th Avenue

City: Helena State: Montana Zip: 59620

6. Project Director Name: Tara Ferriter-Smith

Title: Project Director

Phone #: (406) 444-0758 Ext.: \_\_\_\_\_ Fax #: (406) 444-3924

Email Address: tferriter@mt.gov

## Reporting Period Information

7. Reporting Period: From: 01/01/2015 To: 12/31/2015

## 8. Budget Expenditures (To be completed by your Business Office. See instructions.)

Budget Period	Federal Grant Funds	Non-Federal Funds (Match/Cost Share)
a. Previous Budget Period		
b. Current Budget Period		
c. Entire Project Period (For Final Performance Reports only)		

## 9. Indirect Cost Information (To be completed by your Business Office. See instructions.)

a. Are you claiming indirect costs under this grant?  Yes  No

b. If yes, do you have an Indirect Cost Rate Agreement approved by the Federal Government?  Yes  No

c. If yes, provide the following information:

Period Covered by the Indirect Cost Rate Agreement: From: 07/01/2013 To: 06/30/2016

Approving Federal agency:  ED  Other Specify other: \_\_\_\_\_

Type of Rate: (Final Performance Reports only)  Provisional  Final  Other Specify other: Predetermined

d. For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:

Is included in your approved Indirect Cost Rate Agreement

Complies with 34 CFR 76.564(c)(2)?

## 10. Performance Measures Status

a. Are complete data on performance measures for the current budget period included in the Project Status Chart?  Yes  No

b. If no, when will the data be available and submitted to the Department? \_\_\_\_\_



# 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: MT

PR/Award #: S419A150015

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.

The Montana Preschool Development Grant (MPDG) State Team implemented the activities outlined in the MPDG as planned in the first year of implementation. The state identified three cohorts of Subgrantees from high-needs communities. Each year of the grant one cohort will be phased in and be expected to include ALL structural elements of the federal definition of high-quality preschool programs. As a Development Grantee Montana was not required to serve children in the first year of implementation however Montana choose to begin implementation immediately in Cohort I programs and to provide support for Cohort II programs to begin preparation for full implementation in the 2016-2017 school year. This immediate implementation in the seven Cohort I programs was possible in part because these programs were previously part of the Montana Striving Readers Project (MSRP) and had already begin to implement many of the components of high-quality preschool programs as outlined in the Montana Preschool Program Standards. The seven Cohort I programs include: 1) Great Falls School District in Great Falls; 2) Hardin School District with classrooms in Hardin and Crow Agency (on the Crow Reservation); 3) Central Montana Head Start (CMHS) in Lewistown; 4) Rocky Mountain Development Council (RMDC) Head Start with classrooms in Helena, East Helena, and Boulder; 5) Human Resource Development Council (HRDC) with locations in Bozeman and Lewistown; 6) Anaconda School district in Anaconda; and 7) Libby School District in Libby. During the 2015-2016 school year these seven Cohort I programs provided services to 247 eligible children and families in 24 MPDG funded classrooms in 11 high needs communities. The five Cohort II programs include: 1) Fort Peck Head Start with classrooms in Wolf Point and Frazer (both on the Fort Peck Reservation); 2) Blackfeet Early Childhood Center (BECC) Head Start in Browning (on the Blackfeet Reservation); 3) Anaconda-Deer Lodge County Head Start located in Anaconda; 4) Kootenai Valley Head Start with classrooms in Libby and Troy; and 5) Crow Nation Head Start with classrooms in Crow Agency and Lodge Grass (on the Crow Reservation). During the 2015-2016 school year these five Cohort II programs provided services to 215 eligible children and families in 19 MPDG funded classrooms in eight high needs communities. Three high needs communities, Libby, Anaconda, and Crow Reservation, are being served by more than one subgrantee so there are a total of 15 high needs communities being impacted directly by the MPDG supporting 462 eligible children and families in 42 classrooms. Despite the fact that Montana was not required to serve children in the first year a target of 790 children was written into the grant proposal. The number of eligible children served was less than this target, however it was more than the number of children required by the Department of Education so the State Team is treating the first year as a resounding success.

Eight Cohort III Programs have been invited to participate in grant activities in the 2016-2017 school year with the understanding that they will have a year to build the infrastructure to implement all grant requirements for High-Quality Preschool Programs as outlined in the Montana Preschool Program Standards beginning in the 2017-2018 school year. The Cohort III programs that have sent in letter of intents to participate in the MPDG include: 1) Kalispell School District in Kalispell; 2) Northwestern Montana Head Start in Kalispell; 3) Butte Head Start in Butte; 4) Butte School District in Butte; 5) Northern Cheyenne Head Start in Lame Deer (on the Northern Cheyenne Reservation); 6) Rocky Boy Head Start (on the Rocky Boy's Reservation), 7) Confederate Salish Kootenai Tribal (CSKT) Childhood Center with classrooms in Ronan and Pablo (on the Flathead Reservation), and 8) Fort Belknap Head Start (on the Fort Belknap Reservation). Cohort III programs have projected they will implement 23 PDG classrooms.

Initial projections for number of students served were 680 new slots with grant funds, 110 improved slots with grant funds, 210 new slots with state funds, and 138 improved slots with state funds. Montana does not currently have state funded preschool so all MPDG slots are considered new slots for a total of 790 slots to be grant funded and 348 slots to be funded with state funds. The state was counting Head Start slots as improved slots. Unfortunately the legislature did not approve the Governor's Early Edge initiative that would have established state slots so the projected 348 state slots were not attainable. Cohort I and II subgrantees initially projected they would be able to serve 50 classrooms the first year which contributed to the projected 790 slots.

There were several factors that contributed to the fact that subgrantees were unable to meet the target number of eligible children this first year. Three programs were unable to serve as many classrooms as they projected due to unanticipated costs tied to implementation of grant requirements. In resolving their budgets these programs chose to decrease the number of classrooms in order to meet minimum grant requirements with available funds. Two communities (Libby and Anaconda) had participation from both the school district and the Head Start program. These communities have found that there may not be enough eligible children in the community to fill all of the projected slots at both programs. Community outreach is taking place to recruit additional eligible children from neighboring communities. One program learned after making their projections that the school district in their community would be offering a Preschool Program. This impacted their ability to fill slots and resulted in low numbers for the 2015-2016 school year. This Program will shifting their some of grant funding in 2016-2017 to an existing classroom in a community about sixty miles away that has eligible children in need of services. Finally, one program submitted initial projections for 3 classrooms before being offered a different grant opportunity. This program chose not to participate in the MPDG at this time.

As Programs learned that MT received the grant and began finalizing details it was determined that several programs found value, or logistically needed to include, three year old and/or five year old children in their classrooms. Programs were given the option to use partial grant funding to pay for those children who were eligible in these classrooms and needed to pay for additional slots with other funds from other sources. Of the 42 Cohort I and Cohort II classrooms for the 2015-2016 school year 10 classrooms are mixed-age classrooms. These mixed-age classrooms account for some of the discrepancy between the actual eligible children served and the initial target number.

In response to the low numbers in some communities the State Team has developed individualized Preschool Matters Toolkit's for programs that include recruitment flyers for each community and resources for media outreach for teachers and families. The State Team provided media outreach on social media as well.

Currently 13.2% of income eligible children in MPDG classrooms are identified for special education services. An average of 17% of the income eligible children in Cohort I programs are identified for special education services, with only two programs not meeting the minimum criteria of 6.4%. One program has 6.3%, which will be addressed during monitoring. The other program has a strong partnership with their local Head Start, they share a leadership team and building, the combined percentage for these two programs is 10%. An average of 8.8% of the income eligible children in Cohort II programs are identified for special education services, with only one program not meeting the minimum criteria of 6.4%. This will be addressed in the monitoring process.

To build capacity for High Quality Preschool Programs the Board of Public Education adopted new Educator Preparation Program Standards found in Chapter 58 of the Administrative Rule of Montana. These standards are used by institutions of higher education to prepare early childhood educators and design early childhood programs of study; assess student's knowledge, skills, and dispositions; and determine an early childhood higher education program's effectiveness. These standards went into effect July 1, 2015. Fifty-nine students in identified High-Needs Communities received financial assistance through MPDG grant funding to develop a workforce in preparation for future state-funded preschool slots. Another 31 students were enrolled by December 31, 2015 for a total of 90 students working toward their P-3 Endorsement.

One of the most influential factors that contributed to successes this first year was adoption of the Montana Preschool Program Standards by the Board of Public Education. These standards went into effect July 1, 2015 holding Preschool Programs to a high quality standard that reflect best practices and held School Districts to a high standard for the implementation of preschool services in their community.

The state is also building capacity for state slots through the Governor's Best Beginnings Advisory Council (BBAC) advisory group for early childhood. This group of stakeholders includes numerous early childhood advocates, service providers, reference and referral agencies, public health and safety agencies, and many

others. The Best Beginnings Advisory Council focuses on the multiple systems for impacting young children and families, particularly those with high needs. The goal of these groups is to improve collaboration and coordination across the spectrum of governmental and nonprofit organizations providing early childhood services, including health and mental health services, family support and parent education, and early care and education.

All Program staff participated in an electronic Self-Assessment which is used to guide Program Leadership Teams (PLT's) in implementing the Montana Preschool Program Standards, which meets or exceeds the grants definition of High-Quality Preschool Program with the exception of the full-day program requirement. However Programs are aware that as a grant participant they are required to provide a school day that is equivalent to a full day at the public elementary school in the State and not fewer than five hours a day. The Self-Assessment tool outlines the important components of the Montana Preschool Program Standards as well as sub-components. The eight essential components include 1) Leadership and Administration 2) Early Learning Content Standards 3) Curriculum 4) Assessment 5) Instruction 6) Physical Learning Environments 7) Child Guidance 8) Family and Community Engagement. The State Implementation Team members who are on-site 5-8 days each month utilize the information from the Self-Assessment tool combined with student outcome measures, Measures of Environmental Quality, and Measures of the Quality of Adult-Child Interactions to guide decision making through an ongoing continuous improvement action planning process.

A work group of early childhood stakeholders from the Governor's BBAC advisory group met and determined that the DIAL-4 screening assessment tool was a valid and reliable means of determining school readiness until the group has decided on a Kindergarten Entry Assessment system. The DIAL-4 provides information for all five of the Essential Domains of School Readiness including language and literacy development, cognition and general knowledge, approaches toward learning, physical well-being and motor development, and social and emotional development. The group then met to begin exploring what other states have in place for Kindergarten Entry Assessment systems and will continue to meet in 2016 to recommend tools and strategies for gathering information for understanding student and family needs upon entry into kindergarten so they have the information to provide the necessary supports for success. The assessment work group will provide recommendations for schools to effectively gather information about the family needs and children's skills in the five Essential Domains of School Readiness in the fall of the Kindergarten school year as well as a develop a definition for school readiness. In 2016 the work group will meet March 1, May 24, and September 14 to identify recommended strategies and tools. In the fall of Year 3 selected Kindergarten teachers in the identified High-Needs Communities will pilot the strategies recommended by the work group and provide feedback to the group. Adjustments will be made if needed during the spring of 2018 and in the fall of year 4 all grant community Kindergarten teachers will be asked to utilize the tool.

In year 1 of the grant the state has taken steps towards linking preschool data from grant classrooms to the larger K - 12 Statewide Longitudinal Data System (SLDS). Fall enrollment information was collected in a format that will allow manual enrollment of students in grant classrooms into the SLDS. Internal trainings have begun to ensure that state staff are prepared to modify reports to accommodate for these children to exist within the system. In grant years 2 through 4 programs will be provided the opportunity to directly enroll students into the SLDS.

Community needs assessments have been conducted in each of the High Needs Communities and Program Leadership Teams and local Early Childhood Coalitions will utilize the data to continue to reach out to eligible families to recruit more eligible children.

The State Team will be conducting desk audits and on-site monitoring in the spring of each year to better understand the depth of implementation of these High-Quality standards. All Program staff participated in a completed Self-Assessment which is used to guide Program Leadership Teams (PLT's) in implementing the Montana Preschool Program Standards. The State Implementation Team members who are on-site 5-8 days each month utilize this information combined with student outcome measures, Measures of Environmental Quality, and Measures of the Quality of Adult-Child Interactions to guide decision making through an ongoing continuous improvement action planning process. This data will also be analyzed by an external evaluator, Education Northwest, to evaluate program effectiveness and direct state and local continuous improvement efforts.

Montana's Superintendent of Public Instruction, DPHHS Director, and the Governor are committed to expanding high quality preschool education in our state however the legislature did not approve the Early Edge

initiative that would have established state slots. Although there are no state funded preschool programs in Montana there are programs that are using other funding sources such as Head Start, Title I, Special Education, and General Funds to provide preschool services. In FY 2015 1,620 three to five year old children were receiving special education services of which 578 were four year old children.

The state has invested in The Best Beginnings STARS to Quality Program as the Tiered Quality Rating Improvement System which is a voluntary, tiered quality improvement system comprised of set but achievable criteria designed to support early childhood programs in improving the quality of their educational and support services for young children. The State Legislature has identified one-time only funds through a performance bonus to support STARS to Quality for qualifying early childhood programs. Currently there are 213 STARS programs providing the capacity to support and provide quality care for more than 6000 young children.

The state set a target of \$3,500 per slot. The actual cost per slot was \$14,069. The target amount of \$3,500 per slot was based on our work with Early Reading First and the Montana Striving Readers Project, for which the average cost was \$4,000 per child. Subgrantees actual cost per slot ranged from \$5, 858 to \$64,771 per child. The two programs with the highest costs per slot were Anaconda School District and Libby School District. These were the only two programs that were starting programs for the first time in the 2015-2016 school year. The other programs were either recipients of previous grants or were an existing Head Start program and had some materials and supplies from existing classrooms from which they were able to build upon. The State Team recognizes that there needs to be some action taken to bring down the cost per slot and intends to address this with individual programs through the monitoring process. The addition of eight additional Cohort III subgrantees will dramatically decrease these numbers in year 2 and the State Team intends to recruit additional subgrantees in future grant years if existing programs are unable to fill projected slots.

The State Implementation Team was recruited and hired by the Office of Public Instruction and the Department of Health and Human Services and supported programs as they developed the infrastructure. The State Implementation Team supported Subgrantees with the development of Program Leadership Teams by providing opportunities for ongoing professional learning. Leadership Teams met in March and June to learn about the grant and the development of budgets and leadership structures. Several sessions about leadership were offered at the Summer Institute July 13-16, 2015. All instructional program staff and Program Leadership Team members were required to attend the Summer Institute. Programs also received 5-8 days, depending on number of classrooms, of on-site support each month from their assigned State Implementation Team Members which included learning about utilization of the continuous improvement process for monitoring systemic processes to inform actions and next steps, recruitment of staff and children, and supports for engaging the community and families.

As the lead agency for the grant the OPI holds primary responsibility for the oversight and monitoring of grant activities to ensure that federal awards are used for the authorized purpose in compliance with federal and state laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved. This monitoring plan is aligned with all OPI standard operating procedures for programmatic and fiscal monitoring. Should a program be found to be out of compliance with grant requirements in any area that has been identified within the subgrantee MOU and SOW the OPI will provide written feedback and programs will be required to agree to assurances to implement the grant requirement to continue participation in the grant in compliance with federal and state laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved.





**U.S. Department of Education**  
**PDG Annual Performance Report**  
**Grant Status Form**  
**Explanation of Progress (524B Section A)**  
Based on ED 524B OMB No. 1894-0003 Exp. 06/30/2017

Grantee State: MT

PR/Award #: S419A150015

**Section A: Performance Objectives Information and Related Performance Measures Data (narrative)**

**1. Project Objective**

**1(a) GPRA Performance Measure: The number and percentage of Eligible Children served in High-Quality Preschool Programs funded by the grant.** Describe the State's progress in meeting this Government Performance and Results Act (GPRA) measure based on enrollment of Eligible Children in High-Quality Preschool Programs funded by the grant as of December 1, 2015.

The State PDG Team implemented the activities outlined in the Montana Preschool Development Grant allowing for forty two classrooms in the first two Cohorts to begin implementation as planned providing 462 new slots for eligible children this year.

The State Implementation Team was recruited and hired by the Office of Public Instruction and the Department of Health and Human Services and supported programs as they developed the infrastructure. The State Implementation Team supported Subgrantees with the development of Program Leadership Teams by providing opportunities for ongoing professional learning. Leadership Teams met in March and June to learn about the grant and the development of budgets and leadership structures. Several sessions about leadership were offered at the Summer Institute July 13-16, 2015. All instructional program staff and Program Leadership Team members were required to attend the Summer Institute. Programs also received 5-8 days, depending on number of classrooms, of on-site support each month from their assigned State Implementation Team Members which included learning about utilization of the continuous improvement process for monitoring systemic processes to inform actions and next steps, recruitment of staff and children, and supports for engaging the community and families.

There were several factors that contributed to the fact that subgrantees were unable to meet the target number of eligible children this first year. Three programs were unable to serve as many classrooms as they projected due to unanticipated costs tied to implementation of grant requirements. In resolving their budgets these programs chose to decrease the number of classrooms in order to meet minimum grant requirements with available funds. Two communities (Libby and Anaconda) had participation from both the school district and the Head Start program. These communities have found that there may not be enough eligible children in the community to fill all of the projected slots at both programs. Community outreach is taking place to recruit additional eligible children from neighboring communities. One program learned after making their projections that the school district in their community would be offering a Preschool Program. This impacted their ability to fill slots and resulted in low numbers for the 2015-2016 school year. This Program will shifting their some of grant funding in 2016-2017 to an existing classroom in a community about sixty miles away that has eligible children in need of services. Finally, one program submitted initial projections for 3 classrooms before being offered a different grant opportunity. This program chose not to participate in the MPDG at this time.

As Programs learned that MT received the grant and began finalizing details it was determined that several programs found value, or logistically needed to include, three year old and/or five year old children in their classrooms. Programs were given the option to use partial grant funding to pay for those children who were eligible in these classrooms and needed to pay for additional slots with other funds from other sources. Of the 42 Cohort I and Cohort II classrooms for the 2015-2016 school year 10 classrooms are mixed-age classrooms. These mixed-age classrooms account for some of the discrepancy between the actual eligible children served

and the initial target number.

In response to the low numbers in some communities the State Team has developed individualized Preschool Matters Toolkit's for programs that include recruitment flyers for each community and resources for media outreach for teachers and families. The State Team provided media outreach on social media as well.

Community needs assessments have been conducted in each of the High Needs Communities and Program Leadership Teams and local Early Childhood Coalitions will utilize the data to continue to reach out to eligible families to recruit more eligible children.

Initially Programs interested in participating in the grant were asked to project the number of grant classrooms they would be able to support.

Cohort I projections included: 1) Great Falls School District in Great Falls projected 7 and ended up with 5 classrooms; 2) Hardin School District with locations in Hardin and Crow Agency (on the Crow Reservation) projected 6 classrooms and ended up with 4 classrooms; 3) Central Montana Head Start (CMHS) in Lewistown projected 4 and ended up with 3 classrooms; 4) Rocky Mountain Development Council (RMDC) Head Start with classrooms located in Helena, East Helena, and Boulder projected 3 and ended up with 3 classrooms; 5) Human Resource Development Council (HRDC) located in Bozeman and Lewistown projected 5 and ended up with 5 classrooms; 6) Anaconda School District located in Anaconda projected 2 and ended up with 2 classrooms; and 7) Libby School District located in Libby projected 2 and ended up with 2 classrooms. Of the 29 classrooms projected for Cohort I, 24 classrooms were implemented. In year 2 Great Falls anticipates adding 2 classrooms to fulfill their projected 7, Lewistown anticipates adding one classroom in a neighboring high needs community to fulfill their projected 4, and Hardin School District is working on recruiting to add another classroom. If these programs are unable to fill their projected classrooms their funding will be reduced to make room for additional subgrantees.

Cohort II projections included: 1) Fort Peck Head Start on the Fort Peck Reservation with classrooms in Wolf Point and Frazer projected 3 classrooms and ended up with 3; 2) Blackfeet Early Childhood Center (BECC) Head Start (on the Blackfeet Reservation) projected 5 and ended up with 5 classrooms; 3) Anaconda-Deer Lodge County Head Start located in Anaconda projected 2 classrooms and ended up with 2; 4) Kootenai Valley Head Start with classrooms in Libby and Troy projected 6 and ended up with 6 classrooms; and 5) Crow Nation Head Start with classrooms in Crow Agency and Lodge Grass (on the Crow Reservation) projected 3 and ended up with 3 classrooms. Great Falls Head Start was included in the initial planning for Cohort II and projected 3 classrooms. When the grant was awarded to Montana they declined participation. All participating Cohort II programs were able to fulfill their projected number of classrooms, however not all slots were filled in each of these classrooms. The state team intends to recruit another subgrantee in year two that will have a minimum of three classrooms to replace Great Falls Head Start. In year 2 subgrantees in both programs will be required to provide other funding sources for all slots not filled with eligible children and grant funding will be provided to new subgrantees to fill the number of slots projected. This will be communicated to subgrantees in the monitoring process.

Please describe, as required in Program Requirement (k)(2) in the Notice Inviting Applicants (NIA), how the State established policies and procedures that ensure that the percentage of Eligible Children with disabilities served by the High-Quality Preschool Programs is not less than either the percentage of four-year-old children served statewide through part B, section 619 of IDEA (20 U.S.C. 1400 et seq.), or the current national average, whichever is greater.

*Note: The current national percentage of four year-old-children receiving services through part B, section 619 of IDEA is 6.4%. Source: 2012 IDEA Part B Child Count (www.ideadata.org). States should include detailed information on ALL structural elements.*

Montana's current percentage of four year-old-children receiving services through part B section 619 of IDEA is approximately 4.6% which is less than the national average so we are using the national percentage of 6.4% as our target. When reaching out to programs in high needs communities to participate in the MPDG we communicated to them that it was a grant requirement that their enrollment include a minimum of 6.4% of

four year-old-children receiving services through part B, section 619 of IDEA. The SOW within the MOU outlined that Subgrantees agree to address the needs of Eligible Children who may be in need of additional supports including children who have disabilities or developmental delays, children who are English Learners, children who reside on Indian Lands, children who are homeless, children who are involved in the child welfare system, and children who are from military families.

Currently 13.2% of income eligible children in MPDG classrooms are identified for special education services. An average of 17% of the income eligible children in Cohort I programs are identified for special education services, with only two programs not meeting the minimum criteria of 6.4%. One program has 6.3%, which will be addressed during monitoring. The other program has a strong partnership with their local Head Start, they share a leadership team and building, the combined percentage for these two programs is 10%. An average of 8.8% of the income eligible children in Cohort II programs are identified for special education services, with only one program not meeting the minimum criteria of 6.4%. This will be addressed in the monitoring process.

Cohort III will be participating in grant activities beginning in June 2016 and will be required to follow this requirement in MPDG classrooms beginning in the fall of 2017. This requirement has been communicated to them and they will have the 2016-2017 school year to recruit students and prepare for full implementation.

The State Implementation Team supported staff with full inclusion of eligible children with disabilities in participating High-Quality Preschool Programs by providing opportunities for ongoing professional learning. Several sessions about supporting students with disabilities were offered at the Summer Institute July 13-16, 2015. All instructional program staff and Program Leadership Team members were required to attend the Summer Institute. Programs also received 5-8 days, depending on number of classrooms, of on-site support each month from their assigned State Implementation Team Members which included learning about optimizing cost measures, engagement and support for families of Eligible Children with Disabilities, offering comprehensive services, age-appropriate facilitates that are designed to meet the needs of Eligible Children with Disabilities, sharing of data consistent with federal and state law, and utilizing community based resources.

Describe the State's progress in increasing the number and percentage of Eligible Children served in High-Quality Preschool Programs funded by the grant.

There were 462 new slots served in High-Quality Preschool Programs funded by the grant. One of the most influential factors that contributed to successes was adoption of the Montana Preschool Program Standards by the Board of Public Education. These standards went into effect July 1, 2015 holding Preschool Programs to a high quality standard that reflect best practices.

The Board of Public Education adopted new preschool teacher education and licensure requirements, found in Chapter 57 of the Administrative Rule, which includes educator licensure rules that govern the types of licenses and endorsements available and how teachers can apply for and renew their licenses. The Board of Public Education also adopted new Educator Preparation Program Standards found in Chapter 58 of the Administrative Rule of Montana. These standards are used by institutions of higher education to prepare early childhood educators and design early childhood programs of study; assess student's knowledge, skills, and dispositions; and determine an early childhood higher education program's effectiveness. Both went into effect July 1, 2015. Fifty nine students in identified High-Needs Communities received financial assistance through PDG grant funding to develop a workforce in preparation for future state funded preschool slots. Another 31 students were enrolled by December 31, 2015 for a total of 90 students working toward their P-3 Endorsement.

The State Team will be conducting desk audits and on-site monitoring in the spring of each year to better understand the depth of implementation of these High-Quality standards. All Program staff completed a Self-Assessment which is used to guide Program Leadership Teams (PLT's) in implementing the Montana Preschool Program Standards. The State Implementation Team members who are on-site 5-8 days each month utilize this information combined with student outcome measures, Measures of Environmental Quality, and Measures of the Quality of Adult-Child Interactions to guide decision making through an ongoing continuous improvement action planning process. This data will also be analyzed by an external evaluator, Education Northwest, to evaluate program effectiveness and direct state and local continuous improvement efforts.

**1(b) GPRA Performance Measure: The number and percentage of children served overall in the State Preschool Program.** Please describe any increases or decreases in this GPRA measure based on fall enrollment in the State Preschool Program for the 2015-16 school year.

Montana's Superintendent of Public Instruction, DPHHS Director, and the Governor are committed to expanding high quality preschool education in our state however the legislature did not approve the Early Edge initiative that would have established state slots.

Although there are no state funded preschool programs in Montana there are programs that are using other funding sources such as Head Start, Title I, Special Education, and General Funds to provide preschool services. In FY 2015 1,620 three to five year old children were receiving special education services of which 578 were four year old children.

The state has invested in The Best Beginnings STARS to Quality Program which is a voluntary, tiered quality improvement system comprised of set but achievable criteria designed to support early childhood programs in improving the quality of their educational and support services for young children. The State Legislature has identified one-time only funds through a performance bonus to support STARS to Quality for qualifying early childhood programs. Currently there are 213 STARS programs providing the capacity to support and provide quality care for more than 6000 young children.

To build capacity for High Quality Preschool Programs the Board of Public Education adopted new preschool teacher education and licensure requirements, found in Chapter 57 of the Administrative Rule, which includes educator licensure rules that govern the types of licenses and endorsements available and how teachers can apply for and renew their licenses. The Board of Public Education also adopted new Educator Preparation Program Standards found in Chapter 58 of the Administrative Rule of Montana. These standards are used by

institutions of higher education to prepare early childhood educators and design early childhood programs of study; assess student's knowledge, skills, and dispositions; and determine an early childhood higher education program's effectiveness. Both went into effect July 1, 2015. Fifty nine students in identified High-Needs Communities received financial assistance through PDG grant funding to develop a workforce in preparation for future state funded preschool slots. Another 31 students were enrolled by December 31, 2015 for a total of 90 students working toward their P-3 Endorsement.

The state is also building capacity for state slots through the Governor's Best Beginnings Advisory Council advisory group for early childhood. This group of stakeholders includes numerous early childhood advocates, service providers, reference and referral agencies, public health and safety agencies, and many others. The Best Beginnings Advisory Council focuses on the multiple systems for impacting young children and families, particularly those with high needs. The goal of these groups is to improve collaboration and coordination across the spectrum of governmental and nonprofit organizations providing early childhood services, including health and mental health services, family support and parent education, and early care and education.

In addition, local Best Beginnings Coalitions have been created to support community efforts. These Coalitions are located in High-Need Communities covering much of the state. Nine of the twelve communities from Cohorts I and II are receiving support from their local Best Beginnings Coalitions. Along with engaging local communities, the formation of the coalitions has also allowed Montana to build system capacity for delivering services to high-need families such as evidence-based maternal, infant, and early childhood home visiting services. Local Best Beginnings Coalitions are instrumental in collaborating with Subgrantees in High-Need Communities to ensure Eligible Children have the services and supports to attain the essential kindergarten readiness skills outlined in the Montana Early Learning Standards (MELS). They conducted Community Needs Assessments in December that will be utilized to inform recruitment of more children as well as begin to address identified barriers in access to preschool in Year 2 of the grant.

Those three Programs that do not currently have local Best Beginning Coalitions will coordinate with the state to begin community outreach to see if there is interest in getting a Coalition started in their community.

**1(c) GPRA Performance Measure: The number and percentage of children in the High-Need Communities served by the grant that are ready for kindergarten as determined by the State's Kindergarten Entry Assessment or, if the State does not yet have a Kindergarten Entry Assessment, other valid and reliable means of determining school readiness.**

*In the Year 2 APR, grantees will provide disaggregated data on the school readiness of the children served by the grant. This may include information collected about the children served by the grant at the end of their 2015-16 preschool year or in their 2016-17 kindergarten year. States may provide data from a sample of children (e.g., a sample being used for any evaluation).*

In the Year 1 APR, grantees must describe their progress towards identifying the measures, methods, and data on the school readiness of children served by the Preschool Development Grant. In the narrative below provide the following information:

- The name of the assessment tool(s) and the Essential Domains of School Readiness measured;
- When the assessment tool(s) is/are given (e.g., in preschool and/or kindergarten);
- Whether the assessment is mandated by the State, and for which children;
- How long the State has been using the assessment tool(s);
- Whether the assessment tool(s) is/are implemented throughout the High-Need Community and/or Statewide;
- Whether the State provides or will provide training for local staff administering the assessment. If so, describe the requirements including processes to ensure continued reliability in the administration of the measure;
- If school readiness data is reported to the State, describe when and how data are reported.

Also, please describe, if applicable:

- The State's definition of "school readiness;"
  - Disaggregated information about children's school readiness on individual domains or subsets of the measure;
  - School readiness data for children disaggregated by subgroup (e.g., students who are American Indian or Alaskan Native; Asian, not Pacific Islander; Native Hawaiian/other Pacific Islander; Black or African American; Hispanic/Latino; White, not Hispanic; two or more races; with disabilities; English learners; and from any other subgroups the state determines appropriate; and
- How the State will continue to make progress in meeting this GPRA measure.

A work group of early childhood stakeholders from the Governor's BBAC advisory group met and determined that the DIAL-4 screening assessment tool was a valid and reliable means of determining school readiness until the group has decided on a Kindergarten Entry Assessment system. The DIAL-4 provides information for all five of the Essential Domains of School Readiness including language and literacy development, cognition and general knowledge, approaches toward learning, physical well-being and motor development, and social and emotional development.

The group then met to begin exploring what other states have in place for Kindergarten Entry Assessment systems and will continue to meet in 2016 to recommend tools and strategies for gathering information for understanding student and family needs upon entry into kindergarten so they have the information to provide the necessary supports for success. The assessment work group will provide recommendations for schools to effectively gather information about the family needs and children's skills in the five Essential Domains of School Readiness in the fall of the Kindergarten school year as well as a develop a definition for school readiness. In 2016 the work group will meet March 1, May 24, and September 14 to identify recommended strategies and tools. In the fall of Year 3 selected Kindergarten teachers in the identified High-Needs Communities will pilot the strategies recommended by the work group and provide feedback to the group.

Adjustments will be made if needed during the spring of 2018 and in the fall of year 4 all grant community Kindergarten teachers will be asked to utilize the tool.

In year two Montana will provide disaggregated data on the school readiness of children served by the grant based on information provided by the DIAL-4. An assessment team has been hired by the State to administer the DIAL-4 assessment in the fall and spring with all eligible four year old children. Assessment team members have received training in administering the assessment in a standardized way and a Lead Assessor will be on-site to oversee the administration of the tool to ensure valid and reliable test results. Comprehensive disaggregated data will be reported from a data system developed by the grant Data Analyst that will be clear and easy to read.

**For Preschool Development Grants - Development Grants States ONLY:**

**1(d) GPRA Performance Measure: The number of States that collect and analyze data on State Preschool Program quality, including the structural elements of quality specified in the definition of High-Quality Preschool Programs.**

In addition to a Self-Assessment process that Programs utilize in the fall and winter of each year to monitor their own progress toward the High-Quality Montana Preschool Program standards to inform their actions towards continuous quality improvement the State has developed a series surveys to effectively collect in-depth information from each Program.

All Program staff participated an electronic Self-Assessment which is used to guide Program Leadership Teams (PLT's) in implementing the Montana Preschool Program Standards, which meets or exceeds the grants definition of High-Quality Preschool Program with the exception of the full-day program requirement. However Programs are aware that as a grant participant they are required to provide a school day that is equivalent to a full day at the public elementary school in the State and not fewer than five hours a day. The Self-Assessment tool outlines the important components of the Montana Preschool Program Standards as well as sub-components. The eight essential components include 1) Leadership and Administration 2) Early Learning Content Standards 3) Curriculum 4) Assessment 5) Instruction 6) Physical Learning Environments 7) Child Guidance 8) Family and Community Engagement. The State Implementation Team members who are on-site 5-8 days each month utilize the information from the Self-Assessment tool combined with student outcome measures, Measures of Environmental Quality, and Measures of the Quality of Adult-Child Interactions to guide decision making through an ongoing continuous improvement action planning process.

Programs completed a program survey, a classroom survey, and they provided information about student demographics to inform the State about the quality of their program. The program and classroom surveys include information about program start and end dates and daily start and end times, maximum class size, staff demographics and level of education, how programs use data as a part of a continuous improvement cycle, ways in which the program provides professional development, how programs include students with disabilities, what accommodations they provide, and how they coordinate services with school districts. The surveys also provide information about enrollment and barriers for recruitment of students, comprehensive services provided, health and safety standards, transportation for students to and from programs. Finally the survey provides information about what assessment tools are currently being utilized to gather all of the required Comprehensive Assessment data and how they are utilizing that data to inform continuous improvement for their program, teachers, and students. The State is utilizing this data to determine next steps for State support and professional development and to refine grant expectations. The State will also utilize this information to inform future state policy.

As the lead agency for the grant the OPI holds primary responsibility for the oversight of monitoring and oversight of grant activities to ensure that federal awards are used for the authorized purpose in compliance with federal and state laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved. This monitoring plan is aligned with all OPI standard operating procedures for programmatic and fiscal monitoring. Should a program be found to be out of compliance with grant requirements in any area that has been identified within the subgrantee MOU and SOW the OPI will provide written feedback and programs will be required to agree to assurances to implement the grant requirement to continue participation in the grant.

OPI will provide a combination of desk audits and on-site monitoring for some programs. Through the assistance and collaboration with the community coalitions, located both in selected high needs communities as well as other communities, needs assessments were distributed and collected to help gather information about the quality of the preschool programs in the area. The community coalitions are compiled of early childhood stakeholders that represent a wide variety of partners with a diverse focus. Mental health professionals, school administrators and teachers, public health, local business partners, law enforcement, parents and family engagement coordinators from the subgrantees are just some of the entities represented. Having a wide group of stakeholders builds the interest of community members and leaders on the importance

of preschool for our children. Eighteen coalitions will be distributing the needs assessment annually to help identify eligible youth as well as identify barriers to attainment of high quality preschool. The first survey was completed in December of 2015 and the information has been compiled and being reviewed. The results will drive work both on the state and local levels moving forward. Each subgrantee has a family engagement coordinator or an identified person within their system working within this capacity. This position is developing a system wide family engagement plan that is designed to support the involvement in each of the programs.

## Section A: Part B - Selection Criteria

In this section of the APR, States will report on their progress addressing the Preschool Development Grant's selection criteria. The State should read the questions carefully and report in the narrative fields directly below the questions. Please include any data, data notes or formulas to help the readers understand the State's narrative responses.

### 1. Ensuring Quality in Preschool Programs (Selection Criteria "C" of the application)

Describe the State's use of funds received over the grant period for State Preschool Program infrastructure and quality improvements, including the State's efforts to implement a system of monitoring and support at the State level toward activities such as those described in Section (C)(1)(a-k) of the NIA.

*Note: States will report amounts and percentage of funds for State Preschool Program infrastructure and High-Quality Preschool Programs in the Competitive Preference Priority 3 Chart.*

The State has allocated 35 percent of funds to build or enhance State Preschool Program infrastructure including monitoring and evaluation, providing opportunities for professional learning and workforce development, and other quality-enhancing actions to improve the delivery of High-Quality Preschool Programs to Eligible Children. The State is subgranting at least 65 percent of its Federal grant funds to its Subgrantees over the grant period to build, develop, and implement High-Quality Preschool Programs.

The Montana Preschool Program Standards were adopted by the Board of Public Education and went into effect July 1, 2015. They included early learning development standards and program standards that are consistent with the federal definition of High-Quality Preschool Programs. Programs utilize a Self-Assessment tool that measure the level of implementation of the components of the Montana Preschool Program Standards in the fall and in the winter each year to inform needs for goal setting and action planning.

The State identified three cohorts of Subgrantees from High-Needs Communities who will be phased in each year of the grant and be expected to include ALL structural elements that are included in the federal definition of High-Quality Preschool Programs in phases throughout the grant period to best support school readiness for Eligible Children. Seven Cohort I Programs were previously part of the Montana Striving Readers Project (MSRP) and have already begun to implement many of the components of the Montana Preschool Program Standards so they were expected to implement grant requirements for High-Quality Preschool Programs as outlined in the Montana Preschool Program Standards for the 2015-2016 school year. The five Cohort II Programs participated in grant activities in the 2015-2016 school year with the understanding that they had a year to build the infrastructure to implement all grant requirements for High-Quality Preschool Programs as outlined in the Montana Preschool Program Standards in the 2016-2017 school year. The five Cohort II Programs participated in grant activities in the 2015-2016 school year with the understanding that they had a year to build the infrastructure to implement all of the grant requirements for High-Quality Preschool Programs as outlined in the Montana Preschool Program Standards beginning in the 2016-2017 school year. Eight Cohort III Programs have been invited to participate in grant activities in the 2016-2017 school year with the understanding that they will have a year to build the infrastructure to implement all grant requirements for High-Quality Preschool Programs as outlined in the Montana Preschool Program Standards beginning in the 2017-2018 school year.

The State will monitor the activities of all subrecipients to ensure that federal awards are used for the authorized purpose in compliance with federal and state laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved. This monitoring plan is aligned with all OPI standard operating procedures for programmatic and fiscal monitoring. A combination of desk audits of program surveys and on-site visits will be conducted each spring. If a subgrantee is found to be out of compliance with any grant requirements as outlined in the MOU and SOW written notice will be provided and

the program will be required to agree to assurances for becoming compliant to be eligible to continue grant participation.

In year 1 of the grant the state has taken steps towards linking preschool data from grant classrooms to the larger K - 12 Statewide Longitudinal Data System (SLDS). Fall enrollment information was collected in a format that will allow manual enrolment of students in grant classrooms into the SLDS. Internal trainings have begun to ensure that state staff are prepared to modify reports to accommodate for these children to exist within the system. In grant years 2 through 4 programs will be provided the opportunity to directly enroll students into the SLDS.

Each subgrantee has a family engagement coordinator or an identified person within their system working in this capacity. The DPHHS regional specialists is working to support this position and their work. The family engagement coordinator is responsible for comprehensive services including family engagement, early intervention as well as community connections.

The grant is supporting professional development and resources for the family engagement coordinator to help ensure the quality of the work. The grant has plans, in year two, to have specific state wide training bringing the subgrantee family engagement coordinators together with established Head Start programs to help build collaborative relationships with partners.

Eighteen of the current twenty community coalitions are supported by Preschool Development funds to help build infrastructure in the state of Montana. Nine of the twelve programs in cohorts I and II have a coalition that support their area. We are working to expand into the communities that are high needs Preschool Development Grant communities but do not have a coalition. These coalitions are comprised of a broad group of stakeholders with interest in early childhood services. These groups may include mental health professionals, school administrators and teachers, public health, local business partner, law enforcement, family engagement coordinators and parents. Coalitions are a great way for parents to provide input into the development of programming in their communities. In addition to the eight official members of the BBAC, all local coalitions are invited to the state wide Best Beginnings Advisory Council meetings. This participation is one of the ways we are using grant funding to support state and community level support for High-Quality Preschool programs as well as developing the system linkages for sustainability.

## **2. Expanding High-Quality Preschool Programs in Each High-Need Community (Selection Criteria D of application)**

Describe the progress the State has made during the reporting year to implement and sustain voluntary high quality preschool programs for eligible children in two or more High-Need Communities (Selection Criteria D(4) of the application) that include **ALL** structural elements listed below that are included in the definition of High-Quality Preschool Programs. States should include detailed information on ALL structural elements.

- High staff qualifications, including a teacher with a bachelor's degree in early childhood education or a bachelor's degree in any field with a State-approved alternative pathway, which may include coursework, clinical practice, and evidence of knowledge of content and pedagogy relating to early childhood, and teaching assistants with appropriate credentials;
- High-quality professional development for all staff;
- A child-to-instructional staff ratio of no more than 10 to 1;

- A class size of no more than 20 with, at a minimum, one teacher with high staff qualifications;
- A Full-Day program;
- Inclusion of children with disabilities to ensure access to and full participation in all opportunities;
- Developmentally appropriate, culturally and linguistically responsive instruction and evidence-based curricula, and learning environments that are aligned with the State Early Learning and Development Standards, for at least the year prior to kindergarten entry;
- Individualized accommodations and supports so that all children can access and participate fully in learning activities;
- Instructional staff salaries that are comparable to the salaries of local K-12 instructional staff;
- Program evaluation to ensure continuous improvement;
- On-site or accessible Comprehensive Services for children and community partnerships that promote families access to services that support their children's learning and development; and
- Evidence-based health and safety standards.

Please describe the progress the State has made in establishing High-Quality Preschool Programs that include ALL structural elements listed above that are evidence-based and nationally recognized as important for ensuring program quality.

Participating Cohort I grant programs were expected to meet all grant requirements for the 2015-2016 school year. Cohort II programs were given this school year to build community support and program level infrastructure and have assured they will implement voluntary high quality preschool programs for eligible children in their High Needs Communities during the 2016-2017 school year.

The following information describes the progress made during the reporting year of the seven Cohort I programs as of December 31, 2015 to implement and sustain voluntary high quality preschool programs for eligible children. This Cohort implemented grant requirements for high quality preschool programs in 24 classrooms. As of December 1, 2015 249 students were enrolled in these 24 classrooms.

High staff qualifications: Twenty one out of twenty four classrooms were led by teachers with High staff qualifications, defined as a teacher with a bachelor's degree in early childhood education or a bachelor's degree in any field. Those who do not have a degree in early childhood were offered the opportunity to apply for financial assistance to earn a P-3 bachelor's or master's degree as a state-approved alternative pathway, which may include coursework, clinical practice, and evidence of knowledge of content and pedagogy relating to early childhood.

Two programs were unable to find a teacher with a bachelor's degree for three of the twenty four classrooms. When the programs reported this issue in the fall we informed our Project Officer who asked that we meet with him and Steven Hicks, Senior Policy Advisor, Tammy Proctor, OEL Team Leader, Becky Marek, PDG Project Manager and a program attorney to discuss the issue. In response we were given the direction that since this is a grant non-negotiable at the federal level we would be required to do a budget amendment for these classrooms for our state grant. These classrooms will have to be paid for from the 35% state money as a development cost rather than the 65% that is allocated for programs. We requested the following grant information for these classrooms and made adjustments to their budgets:

- Teacher salary (amount paid from grant funds as well as matching funds)
- Teacher Assistant salary (amount paid from grant funds as well as matching funds)
- Benefits for classroom staff
- Classroom Supplies and Materials
- Any other costs for operating this classroom that grant funds are paying for

We did not have to request a grant amendment as we shifted these funds to other sub grantees. We also requested that they send us documentation about their recruitment process for which both programs provided evidence. The teacher without a bachelor's also submitted a plan for how they are going to achieve their bachelor's degree within the life of the grant and is required to provide updates after the completion of each class as evidence of fulfilling the obligations outlined in the plan.

Hardin was unable to find a teacher for one of its five PDG classrooms. Hardin is a community that borders the Crow-Indian Reservation. The rural high poverty location of this program makes it difficult to recruit and maintain staff. Central Montana Head Start (CMHS) is also a rural high poverty location and has the same difficulties. CMHS was unable to hire and keep two of its three PDG classroom teachers. They initially only had one teacher that didn't meet this requirement and then mid-year they lost one of their highly-qualified teachers.

Unfortunately we continue to see this being an issue moving forward with this grant in our most high need communities that include all seven of Montana's reservations. We are working with subgrantees for which we anticipate this being a problem to develop action goals for recruiting teachers early and reaching out to a larger portion of the state in their recruitment efforts.

Cohort II programs will have to meet this requirement beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017.

High-quality professional development for all staff: All twelve programs in Cohort I and II provided high-quality professional development for all staff in a variety of ways. Program Leadership Teams attending two days of training in March and two days of training in June to receive information about grant requirements, leadership, continuous improvement, and to receive support and guidance as they planned their budgets. All instructional program staff and Program Leadership Team members were required to attend the Summer Institute July 13-16, 2015. Participants received information about grant requirements and attended sessions to begin developing shared knowledge about the grant activities and the best practices outlined in the Montana Preschool Program Standards. Programs also received 5-8 days of on-site support each month from their assigned State Implementation Team Members. The number of days of support is dependent upon how many PDG classrooms they have. The OPI Team Member assigned to their program supported the development and refinement of a Program Leadership Team and continuous improvement processes. The DPHHS Team Member provided support and professional learning opportunities for the development of a family and community engagement plan, a social emotional framework, and implementation of health and safety standards. Instructional Consultants provided on-going job-embedded professional development for teachers in the classroom that included modelling of instruction, support with assessment data, and teacher goal setting and self-reflection.

Cohort III will begin participating in grant activities in June of 2016 and will be provided these same professional development opportunities.

A child-to-instructional staff ratio of no more than 10 to 1: All seven programs in Cohort I programs had a child-to-instructional staff ratio of no more than 10 to 1. Although Cohort II programs did not have to follow this requirement this year they all did.

Cohort III will be required to implement this requirement in the fall of 2017.

A class size of no more than 20 with, at a minimum, one teacher with high staff qualifications: All twelve Cohort I and II programs had a class size of no more than 20. The Montana Preschool Program Standard requires a class size of no more than 18.

High staff qualifications was addressed above. Cohort III will be required to implement this requirement in the fall of 2017.

A Full-Day program: All seven programs in Cohort I provided a full day program for all 24 MPDG classrooms.

Cohort II programs will have to meet this requirement beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017.

Inclusion of children with disabilities to ensure access to and full participation in all Opportunities: Currently 13.2% of eligible children with disabilities are receiving services in PDG classrooms. Cohort I programs are currently serving an average of 17% of children with disabilities and only two of seven programs did not meet the minimum criteria of 6.4%. One program served 6.3% of children with disabilities which is just shy of the national average, but above our state average, which we will address during the monitoring procedures. The other Cohort I program that is not serving 6.4% or more children with disabilities is a school district which has a strong partnership with their local Head Start. The two program share a leadership team and a building. At this time eligible children served by these two programs are served in Head Start, not school district, classrooms. Looking at the combined population of these two programs we see that 10% of eligible children have disabilities.

Cohort II programs are currently serving an average of 8.8% of children with disabilities. Cohort II programs will be phased in next year and will be required to meet full grant requirements but they were not required to this year. Of the five Cohort II programs participating only one program fell below the state and national average. This program is working on doing a partnership.

Cohort III will be participating in grant activities beginning in June 2016 and will be required to follow this

requirement in MPDG classrooms beginning in the fall of 2017. This requirement has been communicated to them and they will have the 2016-2017 school year to recruit students and prepare for full implementation.

Responsive instruction and evidence based curricula, and learning environments:

Cohort I and II programs received ongoing professional development about the developmentally appropriate, culturally and linguistically responsive instruction and evidence based curricula, and learning environments that are aligned with the Montana Preschool Program Standards and the Montana Early Learning Standards. Every program selected either Opening the World of Learning or the Creative Curriculum and Cohort I programs are fully implementing these curriculums. They received feedback about levels of implementation of specific the level of implementation of developmentally appropriate, culturally and linguistically responsive instruction and evidence based curricula, and learning environments through monitoring of student progress, CLASS, ECERS, and ongoing observation data collected by the PLT. The PLT utilized this information to inform next steps and needs for professional development and the teachers utilized the information within individual self-reflection processes with on-site coaches and the assigned grant Instructional Consultant.

Cohort II programs received support but will have to meet this requirement fully beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017 but will receive support that will give teacher and opportunity to practice throughout the 2016-2017 school year.

Individualized accommodations and supports so that all children can access and participate fully in learning activities:

Cohort I and II programs received ongoing professional development for providing individualized accommodations and supports so that all children can access and participate fully in learning activities. Levels of implementation were monitored through CLASS, ECERS, and ongoing observation data collected by the PLT. The PLT utilized this information to inform next steps and needs for professional development and the teachers utilized the information within individual self-reflection processes with on-site coaches and the assigned grant Instructional Consultant.

Cohort II programs received support but will have to meet this requirement fully beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017 but will receive support that will give teacher and opportunity to practice throughout the 2016-2017 school year.

Instructional staff salaries that are comparable to the salaries of local K-12 instructional staff:

Five Cohort I programs are providing instructional staff salaries that are comparable to the salaries of local K-12 instructional staff. Many of our PDG Cohort I programs are serving more than one community with school districts who have varying salary matrix's so it is somewhat complicated to calculate what a comparable rate is in these instances. Of the other two programs that are not providing comparable salaries one of the programs has five PDG classrooms and three of these classrooms are being paid about \$2.00 per hour lower than the school district in their community. In the other two classrooms the teachers' salaries are comparable to the salaries to the school district in their community. The other program has three PDG classrooms and all three classrooms are about \$1.50 less per hour than the teachers in their community. So of the 24 Cohort I programs six are not providing comparable salaries with deficiency ranging from \$1.50-\$2.00 per hour. This will be communicated this spring in the monitoring process and these two programs will have to agree to assurances that this will be corrected for the 2016-2017 in order to be eligible for grant participation.

Cohort II programs will have to meet this requirement beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017.

Program evaluation to ensure continuous improvement:

All Cohort I and II programs collaborate with their assigned State Implementation Team members and have active action plans that outline specific action steps for continuous improvement. These action plans are visited and updated monthly during Program Leadership Team Meetings.

Cohort III programs will begin working on continuous improvement in June of 2016.

On-site or accessible Comprehensive Services for children and community partnerships that promote families

access to services that support their children's learning and development:

Cohort I programs have hired and on-site Family Engagement Coordinator to support the development of a Family and Community Engagement Plan that will make accessible Comprehensive Services for children and community partnerships that promote families access to services that support their children's learning and development. The DPHHS State Team member assigned to the program provides monthly on-site support to this person and the PLT. The on-site Family Engagement Coordinator works collaboratively with the local Best Beginnings Coalitions to continually learn about new partnerships, services, and supports for families.

Cohort II programs will have to meet this requirement beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017.

Evidence-based health and safety standards:

Program Leadership Teams are responsible for monitoring the implementation of health and safety standards. The DPHHS State Team member assigned to the program provides monthly on-site support to PLT to ensure this is happening. The ECERS measure is used to provide feedback in the fall and spring of each year so that the PLT understand what actions it may need to take toward the implementation of a standard that is not being fully met. All Cohort I program and most of Cohort II programs participated in ECERS assessments this fall. All Cohort I and II programs received monthly guidance and support from their DPHHS Team member.

Cohort II programs will have to meet this requirement beginning in the fall of 2016 and Cohort III programs will have to meet this requirement beginning in the fall of 2017.

**Table 6 - Selection Criteria (D)(4) from NIA**

Describe the number and percent of Eligible Children served and the cost per slot. Please explain if *Year 1 Target* from the application and *Year 1 Actual* in **Table 6** differ, and any approved changes in targets for Years 2-4.

The grant target for year one was 790 children. As of December 1, 2015 462 children were enrolled in grant funded classrooms. Of these 462 children 247 were enrolled in Cohort I High-Quality Preschool Programs 215 children were enrolled in Cohort II Programs who were not required to meet full grant requirements this year but will be required to for the 2016-2017 school year. Cohort III Programs will be phased in this year and will be required to meet full grant requirements in the 2017-2018 school year.

Cohort II programs were not required to implement full grant requirements. The factors that were different than Cohort I implementation were that these classrooms were not required to implement full day, they did not have an extended school year, and teachers were not required to have bachelors degree. Despite not being required to implement this grant criteria some of these classrooms still met many of these requirements. In addition Program Leadership Teams and classroom teachers received on-site support from assigned State Implementation Team members for five to eight days per month depending on number of classrooms. Each program received monthly visits and support from the OPI Team members 1-2 days per month who supported the development of leadership team processes for looking at student data and CLASS and ECERS data for determining program needs, their DPHHS team member 1-2 days per month who supported the development of a family engagement plan and a PBIS framework for child guidance and social emotional support, and each program received 3-4 days of classroom support from an Instructional Consultant who worked directly with teachers on implementing the curriculum and assessments to support children with the acquisition of the skills outlined in the the Montana Early Learning Standards to ensure Kindergarten readiness.

Programs interested in participating in the grant were asked to project the number of grant classrooms and eligible four-year-old enrollment in their High Needs Communities. Section 1(a) describes subgrantee projected and actual classroom numbers. Montana does not currently have state funded preschool so all MPDG slots are considered new slots for a total of 790 slots to be grant funded and 348 slots to be funded with state funds. The state was counting Head Start slots as improved slots. Unfortunately the legislature did not approve the Governor's Early Edge initiative that would have established state slots so the projected 348 state slots were not attainable. Cohort I and II subgrantees initially projected they would be able to serve 50 classrooms the first year which contributed to the projected 790 slots.

There were several factors that contributed to the fact that subgrantees were unable to meet grant target number of eligible children this first year. When surveying subgrantees about number of children they would be able to serve in their communities the State Team provided subgrantees information about the grant requirements when subgrantees were calculating their initial projections for number of classrooms and number of eligible children served however, when subgrantees received their grant awards there were some cost projections that were not anticipated so three programs ended up not having as much money to fund all the classrooms they had planned for with the amount of money they were given and still meet minimum grant requirements so they had to have fewer classrooms. Two Programs had grant participation from both the school district and Head Start Programs and discovered there were not enough eligible children in the community to fill all of their projected slots so classrooms numbers are lower than expected and community outreach is taking place to recruit more children from neighboring communities. One program did not anticipate that the school district in their community would be offering a Preschool Program so there were not enough eligible children to fill their slots so classroom numbers were low. This Program will be moving one of their classrooms to another community that they serve about sixty miles away that does have more eligible children in need of services in the 2016-2017 school year. Great Falls Head Start submitted initial projections for 3 classrooms and received an opportunity to have a different grant and decided not to participate in the MPDG.

As Programs learned that MT received the grant and began finalizing details it was determined that several programs found value or logistically needed to include three year old and/or five year old children in their classrooms. Programs were given the option to use partial grant funding to pay for those children who were eligible in these classrooms and needed to pay for additional slots with other funds from other sources. Initially we counted all projected grant classrooms as all four-year-old eligible children and we discovered that 10 of 42 participating classrooms are mixed age classrooms which accounts for some of the discrepancy from the target number.

In response to the low numbers in some communities the State Team has developed individualized Preschool Matters Toolkit's for programs that include recruitment flyers for each community and resources for media outreach for teachers and families. The State Team provided media outreach on social media as well.

Community needs assessments have been conducted in each of the High Needs Communities and Program Leadership Teams and local Early Childhood Coalitions will utilize the data to continue to reach out to eligible families to recruit more eligible children.

The state set a target of \$3,500 per slot. The actual cost per slot was \$14,069. The target amount of \$3,500 per slot was based on our work with Early Reading First and the Montana Striving Readers Project, for which the average cost was \$4,000 per child. A survey by the Best Beginnings Advisory Council was also conducted with principals and superintendents across our State that said at least \$3,000 would be needed per child to fund High-Quality Preschool Programs. The State Implementation Team also gathered data from Subgrantees, which includes teacher qualifications and compensation, full day, class size/ratio, evidence-based professional development, and comprehensive services to help inform the calculation of the target cost per slot written in to the grant. Other information that informed this process included research done by the Governor's office for the Governor's Early Edge Proposal, and average costs for Early Head Start and Head Start programs per slot. Subgrantees actual cost per slot ranged from \$5, 858 to \$64, 771 per child. Costs per slot for each program were: Great Falls School District \$13, 225, Hardin School District \$22,124, CMHS \$15, 650, RMDC \$17, 139, HRDC \$14, 574, Fort Peck Head Start \$ 5,858, Blackfeet Early Childhood Center \$6,662, Anaconda School District \$64,771, Anaconda Head Start \$ 11,898, Crow Nation Head Start \$7,121, Kootenai Valley Head Start \$8827, and Libby School District \$37,660. The two programs with the highest costs per slot were Anaconda School District and Libby School District. Both of these programs were the only two programs that were starting programs for the first time in the 2015-2016 school year. The other programs were either recipients of previous grants or were an existing Head Start program and had some materials and supplies from existing classrooms from which they were able to build upon. The State Team recognizes that there needs to be some action taken to bring down the cost per slot and intends to address this with individual programs through the monitoring process. The addition of eight additional Cohort III subgrantees will dramatically decrease these numbers in year 2 and the State Team intends to recruit additional subgrantees in future grant years if existing programs are unable to fill projected slots.

### 3. Collaborating with Each Subgrantee and Ensuring Strong Partnerships (Selection Criteria E of the application)

Describe the extent to which the State has collaborated with each Subgrantee to ensure that each Subgrantee is effectively implementing High-Quality Preschool Programs (Selection Criteria E (1-9) of the application) and how the State ensures strong partnerships between each Subgrantee and LEAs or other Early Learning Providers, as appropriate.

The key activities that strengthened partnerships with Subgrantees included ongoing professional development through the March and June PLT Meetings, the Summer Institute for PLT's and all instructional staff and on-site support from the State Implementation Team as they supported the continuous improvement processes and the development of PLT roles and procedures. Ongoing monitoring of Program progress is conducted during the State Implementation Team monthly site visits and a formal desk audit and some site visit monitoring, which will occur in the spring of each year. Programs who are found to not be in compliance with grant expectations as outlined in the MOU and SOW will be required to agree to assurances for correction of those components to be able to continue with grant participation. An external evaluator will provide an in-depth analysis of the progress each year and will provide a report to the State Leadership Team in the fall of each year. The state will utilize this information to identify next steps and actions.

The State Leadership Team meets quarterly with the Governor's BBAC to update state-wide stakeholders of grant activities and progress. The Administrative Team that includes the Governor's Office, OPI, and DPHHS Administrators meets monthly to stay in communication about grant activities and needs. The Director met with OPI Early Childhood stakeholders monthly to ensure coordination of Early Childhood processes across the agency. These conversations included ways for ensuring the delivery of High-Quality Preschool Programs to Eligible Children who may be in need of additional supports such as children with disabilities or developmental delays, English learners, children who reside in rural or tribal areas on "Indian lands", migrant children, homeless children, children in the welfare system, children from military families, and other children as identified by stakeholders. Information gathered by experts in these areas is communicated to the State Implementation Team to provide better support and relay the information to PLT's. Experts are identified in needed areas and encouraged to join State Implementation Meetings and as presenters at Summer Institute.

The full State Implementation Team met two times for two days each this year to ensure common knowledge around grant expectations and discuss roles and responsibilities of the OPI, DPHHS, and OPI team members. The OPI and DPHHS Team meets monthly for two days to monitor progress toward the state's plan and continue to refine processes for on-site support for programs toward the coordination and delivery of plans related to assessments, data sharing, instructional tools, and family engagement. As well as with Early Childhood stakeholders for ensure the coordination of cross-sector and comprehensive services supported by Title I of ESEA, IDEA Parts B and C, the McKinney-Vento Homeless Assistant Act, the Head Start Act, and the Child Care and Development Block Grant Act.

The community needs surveys conducted by the local coalitions were completed by subgrantees, early learning providers, parents and community stakeholders. We are gathering information about the collaboration currently happening in addition to identifying areas needing improvement. In addition, the survey is designed to gather information about the availability of high quality preschool and barriers to access that can be addressed to increase numbers of youth receiving preschool.

Subgrantees were required to minimize local administrative costs in their annual budget. If costs were high they had to amend the budget. When costs were shown to be minimized the budget was approved.

#### **4. Alignment Within a Birth Through Third Grade Continuum (Section F of the application)**

Describe progress the State has made for alignment within a birth through third grade continuum in activities for birth through age five programs ((F)(1)(a-b) in the NIA) and kindergarten through third grade ((F)(2)(a-d) in the NIA).

One key activity that supports the development and implementation of the plan to align High-Quality Preschool Programs supported by this grant with programs and systems that serve children from birth through third grade to improve transitions for children across this continuum is that programs were required to partner with community school districts and gather their support by signing the MOU and SOW. Programs included funding in their budget for inclusion of district Principals and Kindergarten teachers in the annual Summer Institute and other professional learning opportunities offered in their region to support the development of High-Quality Preschool Programs.

The state has convened an Assessment Work group who will have recommendations for a KEA system by the end of year two which will be piloted in 2017-2018 by a group of Kindergarten teachers and fully implemented by 208-2019 school year.

Program Family Engagement plans include a plan for transition as well as supporting children and families from birth to age five and from Kindergarten to Grade 3. The development of the role of family engagement specialist along with determining professional development needs was a main focus of the work from September through December. The supporting regional specialist will be working with the family engagement coordinator to fine tune the family engagement and transitions plans throughout the grant.

The draft plans for transition from Kindergarten to Grade 3 include plans for collaboration between preschool and kindergarten teachers, expansion of access to full-day kindergarten, and increasing the percentage of children who are able to read and do math at grade level by the end of third grade. It will also include a plan for engaging parents and families of children moving from High-Quality Preschool Programs into the early elementary school years.

The State and programs are collecting information about child outcomes for the domains from the Montana Early Learning Standards using the DIAL-4 screening tool to inform families about student's strengths and needs. All Cohort I programs have drafted a plan for assessing student progress in the five domains of school readiness throughout the school year. Cohort II will draft a plan in the 2016-2017 school year and Cohort III will draft a plan in the 2017-2018 school year.

The State and PLT teams are utilizing information collected from DIAL, formative assessment measures, CLASS, and ECERS to inform future decision making around the development of plans for ensuring alignment within a birth through third grade continuum. The State is developing a longitudinal data system that would allow for closer tracking of student demographics and history of enrollment in programs.

## Section A: Part C - Competitive Preference Priorities

### Competitive Preference Priority 1: Contributing Matching Funds (if included in the State's approved application).

Describe the progress the State has made on its credible plan for obtaining and using non-Federal matching funds to support the implementation of its ambitious and achievable plan during the grant period. For progress *not* made in this area, please describe the State's strategies to ensure that measurable progress will be made by the end of the grant period. Please describe any changes made to the data reported in **Table 7(a)**; explain if your *Year 1 Target* differs from the *Year 1 Actual*.

In Montana's grant proposal the total match for four years was \$14,388,000.

**Matching funds** - The overall State match: \$14,388,000

**Year 1:** \$3,597,000

**Year 2:** \$3,597,000

**Year 3:** \$3,597,000

**Year 4:** \$3,597,000

In our proposal under Competitive Preference Priority 1: Contributing Matching Funds, we identified 4 areas of support for matching funds. Three out of four of those areas are continuing to be committed to in the match. However, one of the areas did not come to fruition. During the 2015 legislative session, Governor Steve Bullock brought forward a proposal for voluntary preschool, called Early Edge Montana. It would have been open to all four-year-olds. The plan called for \$37 million over the next biennium. The match for the grant was \$1,497,000 per year, which would have provided block grants for our 16 high need communities identified in this grant. Unfortunately, the MT legislature did not allocate any money for the Governor's Early Edge Montana Initiative.

Due to the lack of funding because of the legislature decision Montana submitted a budget amendment identifying three match categories that include AIM longitudinal data match of \$850,503 each year, STARS match of \$1,200,000 each year, and a Growth and Enhancement of Montana's Students (GEMS) match of \$230,000 each year for the first two years of the grant. The GEMS category was added to offset the legislative decision. This cost is part of the development of the longitudinal data system. The Governor intends to propose another preschool initiative to the legislature during the 2017 legislative session that will provide an increase in match for grant years 3 and 4.

The amended match is \$14,388,000.

**Matching funds** - The overall State match: \$14,388,000

**Year 1:** \$2,280,503

**Year 2:** \$2,280,503

**Year 3:** \$4,913,497

**Year 4:** \$4,913,497

### Competitive Preference Priority 2: Supporting the Continuum of Early Learning and Development (if included in the State's approved application).

Describe progress made in creating a more seamless progression of supports and interventions from birth through third grade, such as high-quality infant and toddler care, home visitation, full-day kindergarten, and before and after care services for, at a minimum, a defined cohort of eligible children and their families within each high need community served by each Subgrantee. For progress *not* made in these areas, please describe the State's strategies to ensure that measurable progress will be made by the end of the grant period.

The State has followed its plan for the creation of a more seamless progression of supports and interventions

from birth through third grade for a defined group of Eligible Children and their families within each High-Need Community served by each Subgrantee.

All Cohort I Programs have a full time Family Engagement Coordinator that are responsible for integrating comprehensive high-quality supports and services to help create smooth transitions for children and families to ensure continuous and consistent high-quality early learning opportunities critical to children's success through transitions from one system to another and to coordinate services including home visiting, high-quality infant and toddler care, preschool programs, before-and-after-care services, and other family supports. Cohort II programs will have them in place for the 2016-2017 school year and Cohort III programs will have them in place for the 2017-2018 school year. It's important to note that eleven of the thirteen Cohort I and II programs are Head Start programs and they already have Family Engagement roles in place because it is a Head Start requirement so the DPHHS Team Member supporting these programs are supporting the development of this role currently in Cohort II programs and will with Cohort III in 2016-2017.

Close collaboration between Subgrantees and the Best Beginnings Advisory Council and local Best Beginnings Coalitions has been in place in Cohort I and Cohort II programs. The local Best Beginnings Coalitions are coordinating with Subgrantees to provide a more seamless progression of supports and interventions from birth through third grade, such as high-quality infant and toddler care, home visitation, attendance in state funded Full-Day kindergarten, and before- and after-care services, adult education, housing, health, and mental health services.

Expansion of the current Achievement in Montana (AIM) Statewide Longitudinal Data System to link preschool and elementary and secondary school data is currently underway and data for Cohort I and Cohort II programs will be entered in the spring of 2016.

Expansion of the alignment of child learning standards and expectations by developing a crosswalk document of the MELs and the Montana Common Core Standards (MCCS) for K-3 for use by early learning providers as they make informed instructional decisions has been completed.

Cohort I and II programs are developing a Family and Community Engagement Plan that will ensure access to resources, services, and outline activities that provide children and families with successful transitions from preschool to kindergarten.

Support for Subgrantees in the sustainment of high levels of parent and family engagement as children move from High-Quality Preschool Programs into the early elementary school years by providing professional development on parent and family engagement to Subgrantee feeder schools administration, leadership teams, and kindergarten teachers is in place through monthly on-site visits from the State Implementation Team.

**Competitive Preference Priority 3: Creating New High Quality State Preschool Slots (if included in the State's approved application).**

Describe progress made in using at least 50% of the State's federal grant award to create new State Preschool Program slots that will increase the overall number of new slots in State Preschool Programs that meet the definition of High-Quality Preschool Programs. For progress *not* made in this area, please describe the State's strategies to ensure that measurable progress will be made by the end of the grant period.

All of the State's federal grant award was utilized to create new State Preschool Program slots.



## Section B: Budget Information

### Budget and Sustainability (Section G in the application)

1. Please provide a brief explanation of any discrepancies between the State's approved budget and its total expenditures for the reporting year. Explain carry-over funds that have not been expended or obligated from January 1, 2015 through December 31, 2015.

Montana submitted one budget amendment for the January 1, 2015 through December 31, 2015 year. Of the twenty-four classrooms implementing in Cohort I, two subgrantees were unable to recruit teachers with a Bachelor's Degree to be in compliance with the Preschool Development Grant. These two subgrantees are Hardin School District and Central Montana Head Start. Hardin School District and Central Montana Head Start were unable to recruit teachers with Bachelors degrees for three classrooms. We met with representatives from the U.S. Department of Education who informed us that these classrooms would be required to be funded through the thirty-five percent allocation for State-level infrastructure rather than the funding subgranted to Early Learning Providers in High-Need Communities. Therefor we redistributed \$132,290 needed for operating these classrooms from the budget category for Contractual. We did not need to add or subtract any money from the current budget, we just reallocated that funding. The \$132, 290 taken from program budgets within the sixty five- percent that was subgranted was redistributed to other subgrantees.

Montana submitted a carryover request of \$1,688,599 for funds that had not been expended or obligated from January 1, 2015 through December 31, 2015.

The carryover for OPI will be used to complete grant activities for the remainder of the 2015-2016 school year as outlined in the grant narrative. During this first year of implementation it took us time to hire staff and some staff that were hired had to finish out contracts with school districts so they were only part time until July which impacted personnel, fringe benefits, travel, and equipment and supplies. The majority of the carryover is coming from DPHHS, due to hiring staff later in the year and thus not being able to get everything in place and implemented.

DPHHS hired the majority of their staff in August of year one of the grant creating a need for carryover and unobligated funds in the areas of Team Personnel and Fringe Benefits, State Team Travel, State Team Equipment and Supplies. Training and Stipends is an area in which work is actively in progress and supporting the work of the Montana Preschool Development Grant. This work includes Best Beginnings Advisory Council, Local Coalition Development and Support, Workforce Development Scholarships and support of the state Quality Improvement System, STARS. All of these projects have expended funds with the start of this work but carryover is requested.

Coalitions were contracted starting in July of 2015 with 16 of the projected 20 contracting for monetary support. In 2016 we project 20 coalitions will receive funding with carryover dollars added on to their new contract. Coalitions won't have submitted all the invoices for the work they have completed by the end of December 2015. Montana is expanding the work of the Best Beginning Advisory Council and coordinating work with the local coalitions to support sustainability for the local communities and their projects. Carryover of funds is needed to support the work that is continuing to happen with BBAC as well as grow coordination of the work between local coalitions and BBAC.

Workforce Development Scholarships were successfully awarded for the first Semester in 2015. The application process is currently open for the second semester with an increase in applications submitted along with renewal applications from recipients from the first semester. Increased projections of scholarships supports the need for carryover.

Due to the delay in getting people hired DPHHS got started late planning the portions of the grant that they were planning for professional development and training stipends. \$35,000 was budgeted for professional development to provide Practice Based Coaching to 10 Regional Specialist in year one of the grant. This activity will take place in year 2, 3 and 4 of the grant. As written into the grant, DPHHS is responsible for this training for Regional Specialists as well as including Cohorts, additional state and OPI staff to build early childhood

coaching system capacity. This activity is in developing and planning stages and is not ready for full implementation. Grant staff is working to develop and coordinate this work with below stated Coaching Pyramid Model work to create a sustainable system of coaching and Social Emotional support for Early Childhood providers in the state of Montana. Year one money will be added to year two funds to provide regional trainings for Cohorts program leadership and coaches as well as Train the Trainer trainings for Regional Specialists.

Year one funds for training stipends for the Coaching Pyramid Model are being asked for carryover to year two. As with above Practice Based Coaching, this activity is system and state wide training that needs to be coordinated with each other as well as with multiple interfacing agencies. DPHHS is implementing some key policy changes that effected the timeliness of this implementation and pushed it back until year 2 of the grant. \$50,000.00 of DPHHS Equipment and Supplies is dedicated to developing a Coaching Data Module. This data module supports the work of each of the other activities described above. The module system is in development. Several work meetings have taken place and at the end of November the team will assemble to start writing the project specs. Although the work has already started and supports the work of the other extended projects, the funds won't be expended until year two of the grant and the carryover is necessary to support the systems work that is currently being developed.

2. Please describe any substantive changes that you anticipate to the State's Preschool Development Grant budget in the upcoming fiscal year (January 1, 2016 through December 31, 2016).

The only substantive change that we anticipate having to possibly make will be due to the inability of programs to recruit teachers with Bachelor's degrees in some of our most rural high poverty communities. Two communities were unable to find a teacher with a bachelor's degree for three of the twenty four classrooms in year one. When the programs reported this issue in the fall we informed our Project Officer who asked that we meet with him and Steven Hicks, Senior Policy Advisor, Tammy Proctor, OEL Team Leader, Becky Marek, PDG Project Manager and a program attorney to discuss the issue. In response we were given the direction that since this is a grant non-negotiable at the federal level we would be required to do a budget amendment for these classrooms for our state grant. As it stands now these classrooms would be required to be funded through the thirty-five percent allocation for State-level infrastructure rather than the funding subgranted to Early Learning Providers in High-Need Communities. Depending on the number of classrooms that will need to be reallocated we may not have enough to fund them all which would mean we would probably end up with a significant decrease in number of children served.

3. Describe the State's progress on its plan for sustainability at the end of the grant period to ensure that the number and percentage of Eligible Children with access to High-Quality Preschool Programs in the State will be maintained or expanded, including to additional High-Need Communities.

All of the State's slots are new slots for preschool. Programs are required to develop a sustainability plan as part of their School Readiness plans. State Implementation Team Members will provide ongoing support for strategizing about sustainability in each High-Need Communities based on their unique needs and resources to ensure that the number and percentage of Eligible Children with access to High-Quality Preschool Programs in the State will be maintained or expanded. including to additional High-Need Communities. Cohort III will be participating in grant activities beginning in June 2016 and will be required to follow this requirement in MPDG classrooms beginning in the fall of 2017. This requirement has been communicated to them and they will have the 2016-2017 school year to recruit students and prepare for full implementation. Eight school district and Head Start programs in six high needs communities have been invited to participate in Cohort III. These programs must submit a letter of intent to participate by March 18, 2016. After this date we will have a better idea of how many additional programs will be participating. If programs elect not to participate we have a plan for inviting additional participants from the identified High Needs Communities.

4. Please provide a brief explanation of any discrepancies, if any, between the Subrecipients' approved budgets and their total expenditures for the reporting year. Explain carry-over funds that have not been expended or obligated from January 1, 2015 through December 31, 2015.

At this time we are not aware of any discrepancies between the Subrecipients' approved budgets and their

total expenditures for the reporting year. Explain carry-over funds that have not been expended or obligated from January 1, 2015 through December 31, 2015. We have received permission from the Department of Education for Subrecipients to follow the school year and the Montana school year end September 30, 2016. We plan to continue to monitor Subrecipients monthly spending and will provide feedback if they are not on track for spending as planned.