

PRESCHOOL DEVELOPMENT GRANTS 2016 ANNUAL PERFORMANCE REPORT

Vermont





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 #: S419B150008 2. Grantee Federal Information Processing Code: _____

3. Project Title: 84.419B PRESCHOOL DEVELOPMENT GRANTS-EXPANSION

4. Grantee Name: VERMONT AGENCY OF EDUCATION, INTEGRATED SUPPORT FOR LEARNING

5. Grantee Address: 219 NORTH MAIN STREET., SUITE 402

City: BARRE State: Vermont Zip: 05641

6. Project Director Name: KARIN EDWARDS

Title: DIRECTOR

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Reporting Period Information

7. Reporting Period: From: 01/01/2016 To: 12/31/2016

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: _____ To: _____
- 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: VT

PR/Award #:

S419B150008

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

The State progressed toward achieving the Preschool Development Grant's (PDG) two goals: 1) Implementing and sustaining High-Quality Preschool Programs (HQPPs) that reach and serve additional 2,302 PDG-eligible children in 33 High-Need Communities by Year 4; and 2) Enhancing preschool program infrastructure and capacity to deliver HQPPs.

Goal 1: Implementing and sustaining HQPPs that reach and serve an additional 2,302 PDG-eligible children in 33 high needs communities by Year 4.

As of November 2016, Vermont requested an amendment to the PDG grant. The new target is to serve 2,302 of 4 year olds at or below 200% of the federal poverty level by year four of the grant. For year two of the grant Vermont served 412 eligible children. As of December 1, 2016 four hundred and twelve (412) eligible children were served by subgrantees. The estimated number of VT four year olds at or below poverty is 2,733. This represents 15% percent of eligible 4 year old children in the state. At the time the application was submitted the 33 potential subgrantees who has signed agreements to participate projected that they would serve 1,293 eligible children. Of the 33 potential subgrantees just 17 are currently participating in 2016 so the number of children served for year one and two is substantially lower than what was projected. The AOE proposed revisions to our targets in November 2016. The projected numbers of eligible children served in year 1, 2, 3, and 4 is 2,302.

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

In year 2 of the grant, AOE awarded grants to 17 PDG subgrantees consisting of 3 Head Start programs and 14 SU/SDs.

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

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

The application indicated the PDG funds would be used to hire Program and Fiscal Managers, to fund a contract for external program evaluation, and use limited expenses relating to travel and equipment. The application indicated that the two positions would manage the PDG implementation statewide. The PDG Program Manager would provide technical assistance to subgrantees and create, facilitate, and support a Professional Learning

Community enabling subgrantees to share best practices, collaborate on training and professional development, and support each other in developing HQPPs.

Vermont has hired a Program Manager as of March 2017 to oversee the implementation of the PDG grant. Laura Greenwood is currently Vermont's PDG Program Manager. She has been providing technical assistance to current subgrantees as well as outreach and recruitment activities for year three applicants.

As will be described later in this report, AOE and AHS staff have worked hard to make whatever support is possible to subgrantees. They have participated in trainings and technical assistance relevant to enhancing infrastructure and capacity. An online PDG Community of Practice was established in year two. We now to have a dedicated staff member who can provide support to subgrantees and assist with monitoring.

Vermont has been approved as of March 2017 to hire a Business Data Analyst to support ongoing efforts towards PDG data collection, analysis, and sustainability. This position will support the development of an organizational profile that is aligned to common data education standards and will accommodate PreK governance structure to facilitate data sharing and alignment for PreK evaluation. The Business Data Analyst will facilitate the development of a PreK organizational profile and map to CEDS which is flexible enough to accommodate VT's unique PreK governance structure. This position will also prepare data for mapping and loading into the SLDS during FY2018, provide data management support for early childhood data sets, review quarterly reports on effectiveness of PDG program implementation in VT in conjunction with outcomes of participating students, and recommend policy changes to Act 166 based on the data.

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

The PDG application indicated that private philanthropic dollars, part of Vermont's 58% match of requested PDG funds, would support mentoring to increase the number of licensed early education teachers in Vermont. This is one of the successes of the grant. A group consisting of staff from AOE, AHS and representatives of higher education and philanthropic organizations began meeting during the summer of 2015. In Vermont educator licensing is required for all PreK programs. To be eligible for an educator license professionals need to have a B.S or MA in the related field. A provisional license is a bridge to full licensure for Vermont educators who hold a degree and have a two year plan to meet licensing requirements. While there were many individuals who had bachelor's degrees and teaching endorsements in fields other than early childhood, superintendents were reluctant to sign off on and supervise staff working in private programs. The working group developed a proposal that was approved by the Secretary of Education that allows the Secretary to request the provisional license. Supervision and mentoring is being funded and staffed by philanthropic organizations. At this time there are 50 individuals with provisional licenses working towards full licensure. Half of these individuals are expected to be fully licensed before the beginning of next school year.

Vermont children have benefitted from the first and second year implementation of the PDG. The quality and dosage of school-based, private and Head Start-operated prekindergarten education programs serving for four-year-olds under 200% FPL was significantly increased. Capacity and infrastructure within Vermont's preschool system has increased. State agency and PDG subgrantees increased their knowledge about the financing of PreK and appropriate layering of federal PDG funds with other federal and state funding streams to provide high-quality full-day pre-kindergarten education to PDG-eligible children. The salaries of Head Start and private

provider teachers in PDG funded classrooms were raised to those of public school teachers in their community. Subgrantees were able to provide transportation using grant funds. This allowed eligible children who might not otherwise been able to attend preschool to attend. Several subgrantees found creative ways to maintain mixed age and income classrooms while appropriately using funds for eligible children. A long time shortage of licensed early educators has been addressed through a creative collaboration among philanthropic organizations, state agencies and higher education institutions.

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

Recruiting for year 3 of the grant is in progress. The application was revised and notices of the opportunity have been disseminated. An initial date for submission is set for March 10th 2017 although we will continue to recruit and accept applications through the spring. We anticipate that the early and extended application period will increase the number of subgrantees.



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: VT

PR/Award #: S419B150008

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, 2016.

On April 20, 2015, the Vermont Legislature's Joint Fiscal Committee approved the State's acceptance of the federal Preschool Development Grant-Expansion (PDG). Subsequently, staff from the Governor's Office with assistance from Agency of Education and Agency of Human Services and staff from private funding organizations called identified contacts at each of the 33 Supervisory Unions/Supervisory Districts and Head Start Programs that had signed MOUs agreeing to participate as PDG subgrantees when the State submitted its application to the U.S. Department of Education. At that time 11 organizations indicated they would not become subgrantees. Reasons included reluctance to participate in the initial year of the grant, uncertainty about how this work would interact with implementation of a new state PreK law, concerns about sustainability and realization that grant funds could not be used for activities such as constructed new classrooms they had hoped to use grant funds for. Three potential new subgrantees were identified at that time.

The twenty-five potential subgrantees were provided with a sample scope of work (SOW) and budget documents. A Frequently Asked Questions document was developed and disseminated and technical assistance was provided by phone and in person.

From late March through early August, staff from the Governor's Office, the Agency of Education, and the Head Start State Collaboration Office Director in the Agency of Human Services performed extensive outreach and recruitment with 22 potential PDG subgrantees by holding a webinar, conference calls, and in-person meetings with PDG subgrantees in every region of the State.

During this period of technical assistance and budget development an additional nine organizations decided not to participate when they considered issues such as sustainability and implementation of the new state universal access to preschool law. Individual meetings were held with leadership from each interested supervisory union and Head Start Program to work through SOWs and budget requests. As budgets were developed the Finance Director and Federal Fiscal Monitoring Analyst from the Agency of Education reviewed and indicated needed changes to the budget proposals in order to ensure that all requested funds were allowable expenses for this grant and met federal grant requirements in

general. The individual meetings were followed up with numerous phone and e-mail exchanges to refine both documents. The budgeting was particularly complicated because of the multiple state and federal funding sources available to support preschool programs and the supplantation requirements of the grant. Prevalence of mixed-age and mixed socio-economic classrooms in our subgrantees resulted in complex budgeting calculations in order to address the PDG requirements of grant dollars use only for four year olds at or below 200% poverty. This meant that PDG subgrantees had to raise non-federal PDG funds in a very compressed timeframe and was a major factor why many potential PDG subgrantees --both Head Start programs and Supervisory Unions/Supervisory Districts decided to defer until Year 2 to become a PDG subgrantee; Most subgrantees had approvable SOWs and budgets in time to have a subgrant start date by early July. Head Start budgets and SOWs were finalized in early August.

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

During year 2 (January 1, 2016-Dec 31, 2016), 17 PDG PreK programs submitted applications and were awarded grants. Three out of seventeen are identified as Head Start programs.

PDG Statewide Count Year 2

Number of four year old children participating in PDG programs (2016)

Targeted Number Count: 523

Actual Number Count: 412

Number of four year old children identified and receiving special education and related services under Part B of IDEA

Actual Count: 113

Percentage of children on IEPs out of the actual number count: 27% (113/412)

Universal PreK Statewide Counts (all universal PreK counts include 3, 4, and 5 year olds across all income levels)

Enrollment figures for 2015-16: 7,326*

*All PDG eligible children are included in the universal PreK statewide counts.

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.

Pursuant to IDEA Part B/Section 619, early childhood special education, administered by the AOE, is Vermont's system of special education and related services for children age three up to six with identified disabilities. The December 2016 Child Count Data represents the total number and percentage

of children who receive early childhood special education and related services. More than 76% of children with disabilities age three, four and five participate in inclusive early childhood programs. Each PDG program is categorized as an inclusive early childhood program. Act 166, Vermont's universal PreK legislation, requires school districts to provide public PreK access to all three, four and five year olds for 10 hours a week for 35 weeks a year. Each school district implemented universal PreK as of July 1, 2016. Act 166 provides benefits for children with disabilities that include equal opportunity for child and family to benefit from public PreK; broadens continuum of alternative placements available within the district to meet the needs of children with disabilities for special education and related services; increases district capacity to educate children with disabilities to the maximum extent appropriate alongside children who do not have disabilities and; emphasizes the need to develop and adopt state and local policies that actively promote and encourage high quality inclusion. Vermont's comprehensive child find system includes policies and procedures that are coordinated with all other major efforts by other state agencies responsible for administering the various health, social service programs and education to ensure that each and every child who may be eligible for services under Part B and Part C of IDEA are identified, located, screened, referred and evaluated. Recent opportunities in Vermont (e.g., Early Learning Challenge Grant - Race to the Top, Vermont Early Learning Standards, Act 166, PreK Development and Expansion Grant) and beyond (Division for Early Childhood (DEC)-National Association for the Education of Young Children (NAEYC) Joint Position Statement on Inclusion, U.S. Department of Education (DOE)/U.S. Department of Health and Human (DHH) Services policy statement on inclusion of young children with disabilities in high-quality inclusive early childhood programs, and U.S. DOE/DHH Policy Statement on Expulsion and Suspension Policies in Early Childhood Settings) have heightened our awareness of the importance of supporting the full participation of each and every young child. As Vermont moves toward making high quality inclusion a reality in diverse early childhood settings, a cross-sector Steering Committee of knowledgeable, thoughtful individuals drawn from across state/local agencies and systems that support Vermont's young children and their families was established to create a set of state guiding principles on inclusion that will convey shared values about inclusion, diversity, and family engagement. During 2016, Vermont planned and designed a Dual Language Learners (DLL) training series geared for early childhood cross sector practitioners, leaders, administrators, and families. This series was offered in the spring of 2016 and focused on Bridging Cultural Perspectives in Early Care & Learning; Understanding our Children and Families and Dual Language Learning; Exploring Research-Based Models for Inclusion of DLLs Across Early Learning and Development Settings Birth-Grade 2; Using Evidence-Based Practices that Support the Development and Learning of Languages for Culturally, Linguistically and Ability Diverse Learners and Their Families in the Context of the Vermont Early Learning Standards (VELS).

The AOE completed an Early Childhood Outcomes Practices and Procedure Manual as a guidance document to support early childhood outcomes summary process, data collection and reporting. In 2016 work ensued to develop training and technical assistance materials on a variety of topics. These trainings will be offered to PDG PreK and will occur regionally in 2017.

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

During Year 1, the Governor's Office formed and convened meetings of the State's Preschool Development Grant (PDG) Leadership Team. This was a critical factor that contributed to the State's success in created new, and/or improved existing State Preschool Program slots and ensured the coordination of Vermont's preschool program services with other State and Federal resources. The PDG Leadership Team also performed in-person technical assistance outreach and education throughout the State to 35 potential PDG subgrantees consisted of Supervisory Unions/Supervisory Districts and federal Head Start grantees about the PDG subgrantee application process and timeline and organized and held conference calls with U.S. Department of Education and U.S. Department of Human Services staff and/or potential PDG subgrantees about significant PDG issues, such as mixed age classrooms and federal cost allocation compliance issues. The PDG Leadership Team consisted of representatives from the Agency of Education (AOE) and Agency of Human Services (AHS) because AOE shares authority with the Department of Children and Families (DCF) in AHS to oversee the implementation of state- funded prekindergarten education under Acts 62 and 166, the administration of the Kindergarten Readiness Survey, and the implementation of Part C of the Individuals with Disabilities Education Act (IDEA). AOE administers IDEA Part B, Section 619 Early Childhood Special Education Services, federal Title I funds, and the federal Child and Adult Care Food Program.

The Children Development Division (CDD) in DCF, AHS administers the Child Care Financial Assistance Program (CC FAP) which helps eligible families with the cost of child care and oversees related workforce and quality improvement initiatives using state General Funds and federal Child Care and Development Fund (CCDF) dollars. CDD has responsibility for licensing early childhood programs including those providing child care, Head Start, and prekindergarten education; the Head Start State Collaboration Office; and Children's Integrated Services (CIS) that includes early intervention services under Part C of IDEA. CDD within DCF works closely with and grants \$184,000 annually in Vermont General Funds to the Building Bright Futures State Advisory Council. As the PDG fiscal agent, AOE awarded PDG subgrants to 13 Supervisory Unions/School Districts and three Head Start grantees. The PDG Leadership Team and the AOE Financial Office rigorously ensured that PDG subgrantees appropriately cost allocated, pro-rated, and layered state and federal funding streams, including state-funded prekindergarten education under Acts 62 and Act 166, federal Head Start dollars, and in the case of Supervisory Unions/Supervisory Districts federal Title I funds. Subgrantees could use CCFAP dollars to provide before and after child care to PDG-eligible children outside of the school day prekindergarten education hours that the PDG can fund. Compliance with program standards: Under Vermont's Act 166 of 2014 (an act relating to providing access to publicly funded prekindergarten education) each prekindergarten child (3, 4 or 5 years old and not in Kindergarten) is entitled to no less than ten hours per week of publically funded PreK for 35 weeks of the academic year. A public school or private prekindergarten education program shall be considered prequalified only if it meets all of the quality standards outlined in Act 166 and state rule. These include: program recognition standards (NAEYC Accreditation OR 4 or 5 STARS in VT's QRIS OR 3 STARS with an approved plan to achieve 4 STARS in two years) and educator standards (a teacher with an educator license endorsed in early childhood education or early childhood special education). Each PDG classroom must also be prequalified as a public/private PreK program. The prequalification requirements align with the twelve elements of the PDG high quality preschool program criteria.

As of Dec 31, 2016 we had 371 prequalified PreK programs (139 public schools and 232 private community-based programs). All 17 PDG classrooms meet quality standards as prequalified PreK programs therefore, 412 children participated in prequalified PreK PDG classrooms in 2016. This is an increase of 53 children or 9% increase from 2015.

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 2016-17 school year.

The 2016-2017 school year is the first school year of complete statewide implementation universal prekindergarten education under Act 166. Act 166 entitles every three-, four-, and five-year-old (not already enrolled in kindergarten) to 10 hours per week for 35 weeks of state-funded prekindergarten education during the school year. Enrollment data for fall 2016 indicate that 7,326 three, four, and five year old children were served by the universal PreK state-funded preschool program. This represents an increase of 1045 children or 14%. Of the 7,326 enrolled in PreK, 412 of those spots were also PDG funded.

Act 166 requires that any preschool program receiving public tuition dollars meet a set of quality requirements in order to become prequalified. Any program that receives state funds is required to be prequalified. As of November 1, 2016 there were 368 prequalified public and private PreK programs. The quality criteria for prequalification include receiving and maintaining one of the following: accreditation through the National Association for Young Children; a minimum of four stars in Vermont's quality rating system, or three stars with an approved plan to achieve at least four stars within two years; licensed by the Department of Children and Families and good regulatory status; curriculum aligned with the Vermont Early Learning Standards and teachers who hold valid Vermont hold educator's licenses with endorsement in either early childhood education or early childhood special education. In the case of registered or licensed child care homes operated by an individual who is not a licensed teacher either a licensed teacher must be under contract to provide the publicly funded preschool education or the home care provider must receive active, hands on training and supervision at least three hours each week during the time that the publicly funded preschool education is taking place.

Several efforts to improve quality of existing preschool programs are described elsewhere in the report. These include an evaluation of STARS, the state tiered quality rating and improvement system; the adoption by the State Board of Education of the revised *Birth through Grade Three Vermont Early Learning Standards*; development of an Early Childhood Comprehensive Assessment Plan; training a cadre of trainers for the assessments included in the plan; trainings in administration of these assessments for preschool providers; development of guiding principles for inclusion of children with disabilities in preschool education programs and a collaboration of Agency of Education staff, Agency of Human Services staff and private funders to increase the number of preschool teachers who hold valid teaching licenses.

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 2 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.

Since 2000, Vermont has gathered information on the readiness of children entering kindergarten by surveying kindergarten teachers about the "readiness" of their students within the first six to ten weeks of school. This effort to measure school readiness is a collaborative project of the Vermont Agency of Education, the Department of Children and Families, and the Department of Health. There are many interpretations of what constitutes "readiness". Vermont's concept of children's readiness is multidimensional; it includes social and emotional development, communication, physical health, as well as cognitive development, knowledge, and approaches to learning (e.g., enthusiasm for learning, persistence, curiosity).

Since the fall of 2013, The American Institutes for Research (AIR) has completed two studies for the Vermont Agency of Education and the Vermont Kindergarten Entry Assessment Workgroup of the Building Bright Futures State Advisory Council (BBF SAC)'s Data and Evaluation Committee. The studies assessed the validity of Vermont's Kindergarten Readiness Survey (KRS) and recommended revisions to, the original Vermont Kindergarten Readiness Survey. Those results were acted upon in March of 2014, changes made accordingly, and the revised Survey administered in the fall of 2014.

In our State's Preschool Development Expansion Grant (PDG) application, we defined the entire state as a High Need community. Vermont's KRS is collected statewide annually. The 24-item survey is completed by

kindergarten teachers for each kindergarten student in their class during the first six to ten weeks of school. Responses are based on the teacher's observation of the child. The domains included in the KRS are:

- Social and Emotional Development
- Approaches to Learning
- Communication
- Cognitive Development - General Knowledge
- Physical Health and Development*

During 2015, a collaborative interagency decision was made at the Race to the Top Early Learning Challenge's Implementation Team to extend the contract with AIR in order to identify additional health and wellness indicators* to be incorporated in the KRS. We wanted to make sure that the KRS aligned with the new Head Start Program Performance Standards, the *Head Start Early Learning Outcomes Framework, Ages Birth to Five*, the *Birth through Grade Three Vermont Early Learning Standards*, as well as the Bright Futures recommendations from the American Academy of Pediatrics. AIR was able to do this work within a tight timeframe. They utilized KEAs from other states and found measures that had proven reliable in their own contexts and gave the work group a comprehensive table that included a list of questions, where they had been used, and what level of reliability each one had. From this work, the task force was able to choose additional questions to be included in the newly revised KRS.

On October 15th, 2015 the newly revised KRS was disseminated to approximately 405 kindergarten teachers statewide. Teachers were instructed to complete the survey for each child in their kindergarten classroom by November 13th, 2015.

In October of 2015, AIR completed a KRS alignment with the *Birth through Grade Three Vermont Early Learning Standards*. The purpose of the alignment was to examine how well the early learning constructs measured by the KRS fit with the content and constructs that the state used measure as evidence of kindergarten readiness. AIR aligned the VELs goals to the KRS items and examined the examples for 'older preschoolers' to ensure accurate alignment with the intention of the standards is for children to acquire skills by the end of the preschool year and enter kindergarten with these skills. AIR reported that the revised KRS and VELs had strong alignment of 91% of items and 81% of standards. Changes to the KRS and VELs since 2013 led to greater alignment of constructs across both documents. The alignment of the 2015 KRS and revised VELs was strong (91% of items and 81% of standards) and much improved compared with 2013 KRS alignment with the prior VELs in which only 50% of the standards aligned to KRS. The reliable and validated kindergarten readiness survey will continue to assess progress of incoming kindergarten students over the course of the grant and beyond.

The 2015-2016 KRS was renamed as the Ready for Kindergarten! Survey (R4K!S). The survey is being used as a baseline measurement for subsequent annual surveys.

Vermont's new Ready for Kindergarten! Survey (R4K!S) is a 34-item survey kindergarten teachers complete for each kindergarten in their class during the first 6-8 weeks of school during the 2015-2016 school year.

Responses are based on the teacher's observation of the child. The domains included in the R4K!S are:

- Social and Emotional Development
- Approaches to Learning
- Communication
- Cognitive Development - General Knowledge
- Physical Health and Development

The health and wellness indicators incorporated in the R4K!S are aligned with the new Head Start Program Performance Standards, the *Head Start Early Learning Outcomes Framework, Ages Birth to Five*, the *Birth through Grade Three Vermont Early Learning Standards* as well as the Bright Futures recommendations from the American Academy of Pediatrics.

In August 2016, the Vermont Agency of Education (AOE) released the first statewide report on the new Ready for Kindergarten! Survey (R4K!S) for 2015-2016. The response rate was 90% of teachers reporting.

In the fall of 2016, AOE conducted the 2016-2017 R4K!S statewide and completed with a 92% response rate of kindergarten teachers and this represents 90 percent of kindergarten enrollment statewide. The 2016-2017 R4K!S report will be released spring 2017.

The 2015-2016 R4K!S report focused on the difference between the new survey and the old instrument, with changes in scoring methods, and criteria used for identification of students as "ready." It highlighted that the new survey also includes new and revised questions, including six in the Physical Development and Health domain.

The new R4K!S uses a "Total Score Approach," which links a student's score to overall ability. A student is identified as "ready" if their overall, or "Total Score," places them within the "Practicing" and "Performing Independently" range. In the previous years, kindergarten readiness, a score of "beginning", on any single item, disqualified a student from being identified as ready, without regard for the overall score.

The 2015-16 R4K!S report and R4K!S Fast Facts communication stressed that the R4K!S should not be used to make comparisons between this years' R4K!S data and all previous years of KRS Survey data. Apparent differences in results are attributable to the use of a new method to determine and define readiness, not to changes in the population of kindergarten students. Any comparisons made are considered invalid.

The 2015-2016 R4K!S was completed by Vermont kindergarten teachers with a 90.2% response rate. The survey created a new baseline for readiness, with 81.79% of those surveyed considered "ready". The report also broke down readiness by gender, eligibility for Free and Reduced Lunch (FRL), and participation in publicly funded PreK, and revealed readiness gaps in each category. However, the category, "Did Not Attend Prequalified Publically Funded PreK" includes both students who attended preschool or childcare that was not publicly funded and those who did not attend preschool or childcare. Because this statistic includes both groups, definitive conclusions cannot be made concerning the effect of PK attendance on readiness on the basis of these data.

Professional learning R4K!S training modules and resources were developed for the fall of 2015 and 6 regional trainings for kindergarten teachers were conducted around the state. In 2016, these training modules and resources were revised and created as e-learning modules for AOE web-based user friendly access. The R4K!S e-learning modules are currently being formatted to ensure 508 compliance and accessibility.

Vermont will continue to ensure that kindergarten teachers know how to accurately use the R4K!S, that they know its purpose, how to interpret and use the data, and that they understand formative assessment in general. In addition, we will continue to work closely with our private partners to ensure that R4K!S data is presented accurately to the wider public.

We are unable at this time to complete the data tables for kindergarten readiness. We anticipate being able to include kindergarten readiness data as part of our State Longitudinal Data System (SLDS) as it is being developed for K-12 and will include birth through PreK when completed.

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.

N/A

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.

Current funding sources utilized in the development of infrastructure to support high quality improvement and monitoring include: Race to the Top Early Learning Challenge Grant, IDEA section 619 state level, State Personnel Development Grant, Agency of Human Services Child Development Division, and Act 166 Publically funded PreK.

(a) Vermont Early Learning Standards (birth through grade 3) were approved in August 2015 by the State Board of Education. VELs is posted on the Agency of Education website at <http://education.vermont.gov/documents/edu-early-education-vels.pdf>. Each PDG program received a copy of the VELs in December 2015. During June 20-24, 2016, the VELs professional development committee planned and conducted a week long VELs Institute that was offered to all PDG program staff. VELs professional learning opportunities that will continue in 2017 and include regional trainings and support for all PDG programs in an effort to inform and align VELs with curriculum and embed evidence-based practices.

(b) The Child Development Division, Department for Children and Families, Agency of Human Services published two sets of child care licensing regulations for all regulated child care programs in Vermont: 1) *Licensing Regulations for Center Based Child Care and Preschool Programs* and 2) *Licensing Regulations for Registered and Licensed Family Child Care Homes*. The changes include higher standards for health and safety, program curriculum, family support and teacher qualifications and development. All prequalified PreK programs must meet program licensing standards as well as the prequalification standards outlined in Act 166.

(c) VT AOE provides on-going training and technical assistance to school districts, PDG programs and their PreK partners for children with disabilities. In 2016, the AOE offered training for teachers of Dual Language Learners. AOE created an online PDG learning community in Google for PDG subgrantees.

(d) The Child Development Division, Department for Children and Families, VT Agency of Human Services hosts the Bright Futures Child Care Information System which includes an online search engine of all regulated child care programs in VT, including all public and private prequalified prekindergarten education programs Families and professionals can use this system to search for all types of programs, including for the availability of prequalified (high quality) preschool programs.

(e) In late summer of 2015 revisions to the AOE requirements for Early Childhood and Early Childhood Special Education licensure requirements were adopted. The ECE endorsement was modeled on the NAEYC's 2010 standards for initial early childhood professional preparation and the ECSE endorsement is based on the Division for Early Childhood Council for Exceptional Children's initial preparation standards. The AOE, in collaboration with our community partners at Vermont Birth to Five, have developed a process for Early Childhood teachers in community-based programs otherwise meeting the Act 166 prequalification criteria to apply to be awarded Early Childhood Provisional licensure (valid for 2 years) and provided mentoring support to attain a VT Level 1 teaching license with ECE or ECSE endorsement. One cohort of 23 teachers was filled fall of 2015. A second cohort of 25 teachers has begun as of September 2016.

(f) During 2016, improvements were made to teacher and administrator early education training and professional learning. They include: Early Multi-Tiered System of Supports, Teaching Strategies GOLD, Classroom Assessment Scoring System (CLASS) Ages and Stages (ASQ-3), Ages and Stages-Social Emotional (ASQ-SE), Environmental Rating Scale (ERS), Teacher Education And Compensation Helps (TEACH) and Vermont Early Learning Standards.

(g) The data governance structure incorporates a hierarchical set of committees and workgroups, including an executive leadership team, the Data Governance Council, and designated data stewards workgroups as deemed necessary. The Data Governance Council is composed of data "owners" from the Agency of Education, the Health Department, the Department of Mental Health, the Child Development Division, the Agency of Human Services as well as a representative of the Governor's Office, the Early Learning Challenge grant and Building Bright Futures. The data governance structure also included external advisory committees that focus on policy, data and evaluation, and the SLDS system. AOE made progress during 2016 in the following areas to prepare the way for the addition of the early childhood data sets: prepared the way for the addition of the early childhood data sets: prepared a "requirements assessment document;" identified the data elements used to match data sets; determined the process used to match data sets; and identified solutions in order to facilitate secure file transfers between systems. The early childhood data sets will be incorporated into SLDS beginning July, 2017.

(h) During 2016, Vermont's Early Childhood Comprehensive Assessment System (VECCAS) Framework was drafted by stakeholder group represented by individuals across state agency including higher education, region and local level. The VECCAS will be posted on VT AOE's website in spring 2017. During 2016, stakeholders began work on a guidance manual as a companion to the framework.

(i) Beginning on July 1, 2016, all school districts began implementing Act 166/Universal PreK. Effective parental participation in PreK is the opportunity for parents and guardians to be actively involved in the program, and may include involvement in program development, policy work, program evaluation, curriculum development, and helping in the class. PDG subgrantees implemented the Center for the Study of Social Policy's five research-informed protective factors: parental resiliency, social connections, knowledge of parenting and child development, concrete support in times of need, and social and emotional competence of children that help strengthen families and protect children from toxic stress. PDG subgrantees participate in Vermont's STep Ahead Recognition System (STARS), and PDG subgrantees with programs participating in STARS can earn points in its Families and Communities Arena programs by using the Strengthening Families Child Care Assessment Tool to evaluate and guide improvements in supporting and engaging families. PDG Head Start subgrantees provided regular informal and formal opportunities for responsive family engagement. PDG sites also had the opportunity to participate in Early Multi-tiered System of Supports professional development trainings to support family engagement. The pyramid model consortium (PMC) conducted two annual trainings entitled "Positive Solutions for Families." These opportunities include parental participation on the Head Start Policy Council and in preschool, school-wide, and community activities and by applying the Head Start Parent, Family, and Community Engagement Framework to support the systemic integration of effective parent, family and community engagement practices within programs. These efforts support the ultimate goals of enhancing children's school readiness; sustaining gains in early childhood through later years of children's education; enhancing the overall quality of programs for children and families; and supporting communities around a shared responsibility to nurture and educate young children. In addition, the three PDG Head Start subgrantees are Strengthening Families Child Care grantees.

(j) The State began building State- and community-level support for High-Quality Preschool Programs (HQPPs) through systemic linkages to other early learning programs and resources to support families, such as child health, mental health, family support, nutrition, child welfare, and adult education and training sectors in several ways: 1) Created the State's PDG Leadership Team consisting of AOE and AHS officials (see response to Section A, 1(a).) that oversee a range of other early learning programs, including CC FAP, Children's Integrated Services, Part B and C of IDEA, Strengthening Families Child Care Grants, and Child and Adult Care Food Program and that made sure that these programs were systemically linked to HQPPs; 2) Promoted PDG subgrantees' participation in existing and new Head Start-Local Educational Agency Pre-Kindergarten partnerships to build State- and community-level support for HQPPs and link them systemically to other early learning programs and resources to support families by providing a comprehensive range of services; 3) Learning from PDG Head Start subgrantees about how Head Start programs require the provision of comprehensive services and linkages to other early learning programs and resources to support families, such as child health, mental health, family support, nutrition, child welfare, and adult education and training sectors; 4) Encouraging PDG subgrantees to apply the Strengthening Families Framework to foster protective factors and improve child welfare; 5) Establishing a Professional Learning Community to foster systemic linkages to other early learning programs and resources; and 6) Educating Vermont's Building Bright Futures State Advisory Council members and Building Bright Futures Regional Councils about the need to foster State-, regional, and

community-level support for HQPPs through systemic linkages to other early learning programs and resources to support families.

(k) Other activities and professional development opportunities include Early MTSS coaching model, dual language learner series, TS GOLD training, and CLASS training.

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.

The newly hired PDG Manager will work closely with AOE finance director and designated team members. The AOE has determined the need to hire a business data analyst instead of a financial analyst. Despite the difficulty finding staff to manage the grant in 2016, the new Program Manager and the entire early learning team at the AOE has prioritized and reorganized support provided to PDG programs.

Information was gathered from VT's PDG PreK programs in each high need community, shows Vermont's progress on expanding high-quality based on program level data collected from our 17 PDG sites. There was a 100% respondent rate for 2016. All PDG program lead teachers are licensed through the Vermont Agency of Education and most are contracted through their school district. Therefore, high staff qualifications are present and the majority of pay is comparable to the salaries of local K-12 instructional staff.

All 17 PDG programs have a class size of no more than 20. The child to instructional staff ratio of no more than 10 to 1 is insured by compliance to the Vermont Childcare Licensing regulations. 100% of respondents indicated that they are compliant with childcare licensing health and safety standards. All are operating on a full day schedule, which is defined by not fewer than 5 or more hours per day.

PDG program staff participated in high-quality professional learning during 2016. This included, but was not limited to Teaching Strategies GOLD (TSGOLD), Classroom Assessment Scoring System, Early Multi-tiered System of Supports (Early MTSS), Ages and Stages Questionnaire-3 (ASQ-3), Ages and Stages Questionnaire-Social Emotional (ASQ-SE), Vermont Early Learning Standards, Teaching Pyramid Observation Tool, EDUSNAP, and Preschool Development Expansion Grant webinars. Subgrantees also indicated regular participation in program centered professional learning.

Under the RTT/ELC grant, the Agency of Education and Agency of Human Services are contracting with an entity to fulfill the development and implementation of a comprehensive PreK monitoring system. For 2015, PDG site programs reported accountability and evaluation through measures such as Step Ahead Recognition System (STARS), professional development, observations, mentoring, self-assessment, school district visits, NAEYC self-study, walk throughs, parent program evaluation, and supervision meetings. The state is working toward completing the Pre-K monitoring system design and implementation by fall 2017.

Aligning 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, is a high priority. Currently, English Language Learning is embedded in the Vermont Early Learning Standards (VELS). The Right Stuff, a free one-way listserv distributed monthly, features one section of the VELS and highlights resources to support the learning and development across infants, toddlers, preK, Kindergarten through Grade 3. All resources are readily accessible, available and free. A stakeholder group on guiding principles for inclusion was established in 2016 and progress continued into 2017. The Guiding Principles on Inclusion refer to each and every child in VT. These principles are incorporated into a two-part workshop on Dual Language Learning (DLL) professional learning under the RTT/ELC grant in 2016. This training will extend follow-up support and networking through 2016 and third part series in 2017 which focuses on identification of children who are DLL with developmental delay/disabilities. Vermont is basing this work on the DEC and NAEYC recommended practices as well as the USDOE policy on inclusion to inform the work. The Inclusion Toolkit, developed by Erin Barton and Barbara Smith, will be conducted in 2017 to all PDG PreK programs.

Through the 2016 PDG PreK program survey, subgrantees reported varying ways programs ensure appropriate accommodations, modifications and supports to ensure children with disabilities access and full participation across daily routines/activities/instruction. For example, one site shared, "create a classroom environment that accommodates all learning styles. Children are provided with ample opportunities to use all of their senses and explore and discover their surroundings. In addition, our space is fully accessible to all children with physical disabilities. When we have special concerns or children with significant delays, we refer the child to the district's special educator. Screenings and observations are made and a plan is designed."

Finally, subgrantees communicated on on-site or accessible Comprehensive Services for children and community partnerships that promote family access to services that support their children's learning and development. For example, some programs report having Family Engagement Coordinators and in house social

workers who reach out and support families in accessing resources, services, and supports. Other sites highlight home visiting, family engagement activities, and referrals for medical, dental, social services, and mental health services as important parts of their support to families. For some of these programs, family engagement activities have been enhanced directly due to PDG funding.

During the 2016 fall monitoring visit to several PDG sites, staff shared stories about how funds from the grant have helped them to improve the quality of the programs and the facilities. Examples included, improving bathrooms to safely accommodate students; fencing in a playground area; the addition of diverse playground equipment; the improvement of family outreach including family potlucks and evenings in which parents/guardians receive more information on development and early education; providing a comparable living wage to district teachers in the PDG programs, allowing the purchase of diverse and multicultural materials.

Selection Criteria (D)(4) from NIA

Describe the number and percent of Eligible Children served and the cost per slot.

As of December 1, 2016 four hundred and twelve (412) eligible children were served by subgrantees. The estimated number of VT four year olds at or below poverty is 2,733. This represents 15% percent of eligible 4 year old children in the state. At the time the application was submitted the 33 potential subgrantees who has signed agreements to participate projected that they would serve 1,293 eligible children. Of the 33 potential subgrantees just 17 are currently participating in 2016 so the number of children served for year one and two is substantially lower than what was projected.

The AOE proposed revisions to our targets in November 2016. The projected numbers of eligible children served in year 1, 2, 3, and 4 is 2,302.

The average cost per slot is \$18,304.81. The cost per slot varies from \$10,787 to \$29,624.

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.

Throughout the time that AOE and Governor's Office staff worked with individual subgrantees to develop budgets and SOWs there was extensive, individualized technical assistance and support regarding roles and responsibilities of the state and subgrantees, the requirements of the grant and the Vermont plan for meeting those requirements. This support has diminished since August because two key individuals who did this work have left state government and we have not yet found individuals to fill the grant funded positions that were intended to provide on-going support to subgrantees.

Identifying the need to provide technical assistance and support to all PDG programs, the early education team at the AOE created a PDG Community of Practice (CoP) webpage that provides subgrantees a common on-line platform to post questions, receive responses and to network with other individuals from PDG programs form across the state. The CoP has been successful conduit in disseminating grant related information, professional learning opportunities and resources such as notifications of PDG webinars and frequently asked questions. The value of the PDG CoP absolutely lends itself to continuation over the life of the grant and beyond.

All programs are required to complete TSGold entry and post data. This is shared and reported on the state level to the legislature. The curriculum is aligned with the Vermont Early Learning Standards. The following are example of how PDG sites have promoted family engagement. "Our Richmond Elementary School (RES) teacher has developed a blog to keep families informed of what is happening in the classroom." "We hold an annual community and parent night specific to PreK in which we update the community and parents on what is happening with PreK in our district. One night is held in the north of our district and one in the south. It is open forum for questions, comments, and suggestions from parents and community members. Our Superintendent and Assistant Superintendent attend to be part of the discussion. During this night, we also include helpful information about their child's development (e.g., why developing routine are important for your child's development."

PDG program staff participated in high-quality professional learning during 2015. This included, but is not limited to Teaching Strategies GOLD (TSGOLD), Classroom Assessment Scoring System, Early Multi-tiered System of Supports (Early MTSS), Ages and Stages Questionnaire-3 (ASQ-3), Ages and Stages Questionnaire-Social Emotional (ASQ-SE), Vermont Early Learning Standards, Teaching Pyramid Observation Tool, EDUSNAP, and Preschool Development Expansion Grant webinars. Subgrantees also indicated regular participation in program centered professional learning.

In late summer of 2015 revisions to the AOE requirements for Early Childhood and Early Childhood Special Education licensure requirements were adopted. The ECE endorsement was modeled on the NAEYC's 2010 standards for initial early childhood professional preparation and the ECSE endorsement is based on the Division for Early Childhood Council for Exceptional Children's initial preparation standards. The AOE, in collaboration with our community partners at Vermont Birth to Five, have developed a process for Early Childhood teachers in community-based programs otherwise meeting the Act 166 prequalification criteria to apply to be awarded Early Childhood Provisional licensure (valid for 2 years) and provided mentoring support to attain a VT Level 1 teaching license with ECE or ECSE endorsement. One cohort of 23 teachers was filled fall of 2015. A second cohort of 25-27 teachers will be filled for fall 2016.

PDG funds have enhanced the delivery of services rather than supplant state and federal funding under Head Start, Title 1, Child Care Financial Assistance Program, Act 166, Early Education Initiative (EEI), Part B Section 619 under IDEA or any other PreK funding streams. As part of their grant application, PDG programs were required to submit applications to be approved as a 'prequalified' PreK program under Act 166. PDG funds are used to create and expand slots to provide full-day high quality preschool offerings in high need communities across the state. See section A: Part B (2) for further description of coordination efforts.

Recent opportunities in Vermont (e.g., Early Learning Challenge Grant - Race to the Top, Vermont Early Learning

Standards, Act 166, PreK Development Grant) and beyond (Division for Early Childhood (DEC)-National Association for the Education of Young Children (NAEYC) Joint Position Statement on Inclusion, U.S. Department of Education (DOE)/U.S.

Department of Health and Human (DHH) Services policy statement on inclusion of young children with disabilities in high-quality inclusive early childhood programs, and U.S. DOE/DHH Policy Statement on Expulsion and Suspension Policies in Early Childhood Settings) have heightened our awareness of the importance of supporting the full participation of each and every young child. As Vermont moves toward making high quality inclusion a reality in diverse early childhood settings, a cross-sector Steering Committee of knowledgeable, thoughtful individuals drawn from across state/ local agencies and systems that support Vermont's young children and their families was established to create a set of state guiding principles on inclusion that will convey shared values about inclusion, diversity, and family engagement. During 2016, Vermont planned, designed a Dual Language Learners (DLL) training series geared for early childhood cross sector practitioners, leaders, administrators, and families. This series will be offered in the spring of 2016 and will focus on Bridging Cultural Perspectives in Early Care & Education (ECE); Understanding our Children and Families and Dual Language Learning; Exploring Research-Based Models for Inclusion of DLLs Across Early Learning and Development Settings Birth-Grade 2; Using Evidence-Based Practices that Support the Development and Learning of Languages for Culturally, Linguistically and Ability Diverse Learners and Their Families in the Context of the Vermont Early Learning Standards (VELS).

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).

The PreK to 3rd grade project to sustain the effectiveness of early childhood programs into early elementary years is off to a strong start with FirstSchool, an initiative of the Frank Porter Graham Center of UNC, Chapel Hill. Four preK-primary school communities chose to participate with FirstSchool: St. Albans, St. Johnsbury, Chelsea-Tunbridge, and Smilie School in Bolton. These five rural schools cross Vermont from east to west, and include partnerships with private child care programs and parent child centers. All of these schools are early adopters of universal PreK through Act 166. One school, St. Albans, is also an Early Multi-Tiered System of Supports (Early MTSS) site. In the summer of 2015, First School hosted a summer institute to begin the work of creating a “culture of caring, competence and excellence” in the schools, including an in-depth exploration by leadership teams on building a culture of collaborative inquiry across PreK through third grade. In the fall and winter of 2015, the Agency of Education collected EduSnap and CLASS baseline data for the approximately 85 teachers. This data will be used to drive decision-making about teaching practices at the classroom, grade, and school levels and approximately 1600 children will be impacted in these five schools. We look forward to tracking progress of these children and teachers as this pilot moves forward. The Vermont Early Learning Standards (VELS) birth through third grade were published in the Fall of 2015. The VELS is aligned with the Common Core Standards for K-12 in the areas of literacy and mathematics as well as the *Head Start Early Learning Outcomes Framework, Ages Birth to Five* . Professional development will be provided to the field and intentional outreach about this professional development opportunity will be provided to our PDG sites.

In Vermont we have adopted the TS GOLD assessment system for all state PreK programs. The TS GOLD in the process of being cross-walked with the VELS.

Vermont's seamless progression of providing supports and interventions from birth through third grade is taking a statewide interagency (AOE and AHS) approach to build comprehensive early childhood system in order to realize the promise of every child. Therefore, every eligible child within our subgrantee programs will directly benefit. Progress over 2015 included publication of the VELS (birth through grade three), coordinated efforts to improve transitions from early intervention to PreK and from PreK to K, universal screening, joint agency professional learning opportunities, Early MTSS K-12 system and content alignment, and the pilot project (First School) which is explained below.

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 2 Target* differs from the *Year 2 Actual*.

Vermont is contributing matching funds over four years of this grant. The match includes VT General Fund Dollars, VT Education Fund Dollars and private philanthropic support. These matching funds will support the state level infrastructure related to the PDG including monitoring and technical assistance for subgrantees, mentoring the license teachers and PreK direct services.

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.

Vermont's seamless progression of providing supports and interventions from birth through third grade is taking a statewide interagency (AOE and AHS) approach to build comprehensive early childhood system in order to realize the promise of every child. Therefore, every eligible child within our subgrantee programs will directly benefit. Progress over 2015 and 2016 included publication of the VELS (birth through grade three), provided a week long VELS Institute in June 2016, coordinated efforts to improve transitions from early intervention to PreK and from PreK to K, universal screening, joint agency professional learning opportunities, Early MTSS K-12 system and content alignment, and the pilot project (First School) which is explained below.

Our project to sustain the effectiveness of early childhood programs into early elementary years continued in 2016 with FirstSchool, an initiative of the Frank Porter Graham Center of UNC, Chapel Hill. Four PreK-primary school communities chose to participate with FirstSchool: St. Albans, St. Johnsbury, Chelsea-Tunbridge, and Smilie School in Bolton. These five rural schools cross Vermont from east to west, and include partnerships with private child care programs and parent child centers. All of these schools are early adopters of universal PreK through Act 166. One school, St. Albans, is also an Early MTSS site. In the summer of 2016, First School hosted a summer institute to continue the work of creating a "culture of caring, competence and excellence" in the schools, including an in-depth exploration by leadership teams on building a culture of collaborative inquiry across PreK through third grade. Data collected will be used to drive decision-making about teaching practices at the classroom, grade, and school levels and approximately 1600 children will be impacted in these five schools. We look forward to tracking progress of these children and teachers as this pilot moves forward to completion in the summer of 2017.

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.

Several valuable lessons have been learned in the first and second year of PDG implementation. The first year plan proved to be overly ambitious. Only sixteen of the thirty three entities that had signed on to participate in the grant actually ended up as subgrantees despite extensive contact and support. A major reason for this was the complexity of working through allowable funding for the grant activities and sustainability requirements. One challenge that caused Head Start, public schools, and private entities not to participate was that to create new classrooms new facilities were needed and grant funds do not support construction of major renovation. Other factors included the challenge of maintaining mixed age and income classrooms when the grant could only fund the percentage of cost for eligible children, the funding pressures SU/SDs were feeling as Act 46, a new state law that caps education funding, took effect and Act 166's partial implementation.

These lessons shaped our actions for recruitment of subgrantees in year 2. We now have very clear directions and forms to support the budgeting process. We are able to provide succinct and accurate information about allowable uses of grant funds and give examples of how year 2 subgrantees have used funds to improve quality programs. Most importantly we have success stories from current subgrantees that show how some of the limitations the grant imposes have been turned into opportunities in Vermont communities.

Revised targets for year 2 include 279 new slots and 244 improved 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, 2016 through December 31, 2016.

There were no expenditures during the report period that were outside the approved budget. At the end of the reporting period, we have \$ 3,410,320.44 in subgrantee obligations and \$ 7,329,497.09 unobligated in our grants budget. There is \$ 649,098.52 unobligated in our miscellaneous category. Total unobligated funds are \$ 7,978,595.61.

Please be advised, these numbers are based on action number three of the grant award notification.

2. Please describe any substantive changes that you anticipate to the State's Preschool Development Grant budget in the upcoming fiscal year (January 1, 2017 through December 31, 2017).

In September 2016, VT submitted a request to USDOE to amend its approved PDG grant. This request to reduce its original PDG award amount by \$8,029,215.00 was approved on November 30, 2016. VT was requested to update its budget to provide more accurate costs of high quality preschool program slots funded by PDG. The revised budget and scope of work was submitted to VT's project officer on 2/27/17. The revised budget was incorporated into the work book for this submission.

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.

A formal plan for sustainability are in the process of development at this time.

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, 2016 through December 31, 2016.

There are no discrepancies. Subrecipients' grants are for the period July 1, 2016 through June 30, 2017. Several superintendents who participated in the budget development process already had or were planning to include full day preschool programs in their school budgets. That could be a major factor for sustaining quality programs for school based programs. The tuition all programs will receive when Act 166 is fully implemented for the school year (as of July 1, 2016) and will contribute to sustainability but alone will not be enough. Some grant funded activities will have been completed by the end of the grant period so will not need additional funds to continue. Aligning curriculum with the revised early learning standards or training staff to conduct assessments of student progress are examples of this. Another example is moving a teacher from provisional to full licensure. Maintaining teacher salaries and full day programs with comprehensive services are quality elements that will cause sustainability challenges. The new proposed budget and scope of work for the grant includes funds for a data analyst who will have as a primary responsibility

is to develop an organizational profile that is aligned to common data education standards which will accommodate PreK governance structure to facilitate data sharing and alignment for PreK evaluation. This work will inform and contribute to sustainability.