Race to the Top – Early Learning Challenge

FY 2013 Competition

Guidance and Frequently Asked Questions for Applicants

U.S. Department of Education

U.S. Department of Health and Human Services

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Contents

A.   FY 2013 RTT-ELC General Information

A-1   What is the Race to the Top – Early Learning Challenge (RTT-ELC) program?

The RTT-ELC program is authorized under Sections 14005 and 14006 of the American Recovery and Reinvestment Act (ARRA) (Public Law 111-5), as amended by section 1832(b) of Division B of the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10), and the Department of Education Appropriations Act, 2012 (Title III of Division F of Public Law 112-74, the Consolidated Appropriations Act, 2012).

The purpose of the RTT-ELC program is to improve the quality of early learning and development programs and close the achievement gap for children with high needs. RTT-ELC is a competitive grant program that focuses on supporting a State's efforts to design and implement an integrated system of high-quality early learning and development programs and services and to increase the number of children with high needs enrolled in those programs and services. The overarching goal is to make sure that many more children, especially children with high needs, enter kindergarten ready to succeed.

The Departments published the NFP and a Notice Inviting Applications (NIA) for RTT-ELC in the *Federal Register* on August 30, 2013. The NFP establishes the priorities, requirements, definitions, and selection criteria and the NIA explains how the priorities, requirements, definitions, and selection criteria established in the NFP apply to the FY 2013 competition. The NIA includes the final priorities, requirements, definitions, and selection criteria that apply to the competition, as well as appendices that include the scoring rubric and a model memorandum of understanding (MOU). The NIA also includes certain details for applicants, such as deadlines, application review information, budget guidance, and submission requirements.

The RTT-ELC application and additional resources are available at
http://www2.ed.gov/programs/racetothetop-earlylearningchallenge/index.html.

A-2   How have the FY 2013 RTT-ELC grant sizes been determined?

From the $550 million appropriated for Race to the Top in FY 2013, the Departments have made available approximately $280 million for awards under this competition. In FY 2013, the Departments are reducing the budget caps from the FY 2011 levels to maximize the number of States that they can fund while providing each winning State with a large enough grant to support comprehensive plans. As in the FY 2011 competition, the Departments developed the following categories by ranking every State according to its share of the national population of children ages birth through five years

old from Low-Income[1] families and identifying the natural breaks in the rank order. Then, based on population, budget caps were developed for each category.[2]

Category 1--Up to $75 million-- Florida, New York, Texas.

Category 2--Up to $52.5 million--Arizona, Georgia, Michigan, Pennsylvania.

Category 3--Up to $45 million--Alabama, Indiana, Kentucky, Louisiana, Missouri, New Jersey, Oklahoma, Puerto Rico, South Carolina, Tennessee, Virginia.

Category 4--Up to $37.5 million--Alaska, Arkansas, Connecticut, District of Columbia, Hawaii, Idaho, Iowa, Kansas, Maine, Mississippi, Montana, Nebraska, New Hampshire, Nevada, North Dakota, South Dakota, Utah, Vermont, West Virginia, Wyoming.

A-3   What is the timeline for obligating and spending FY 2013 RTT-ELC funds?

The Departments must obligate all funds to States no later than December 31, 2013. States will have a four-year project period beginning January 1, 2014, in which to implement their plans and spend their grant money.

A-4   What are eligibility requirements, selection criteria, absolute priorities, competitive preference priorities, and invitational priorities?

Eligibility requirements are the requirements that a State must meet in order to be eligible for funding. (See #B-1 for the eligibility requirements for the RTT-ELC program.) Selection criteria are the focal point of the application and peer review. A panel of reviewers will assign points to an application based on how the applicant (in this case, the State) addresses these selection criteria. RTT-ELC has 17 selection criteria, which are organized into five key categories:

> (A) Successful State Systems,
> (B) High-Quality, Accountable Programs,
> (C) Promoting Early Learning and Development Outcomes for Children,
> (D) A Great Early Childhood Education Workforce, and
> (E) Measuring Outcomes and Progress.

These five areas are divided into Core Areas ((A) and (B)) and Focused Investment Areas ((C), (D), and (E)). A State must address all of the selection criteria under Core Areas (A) and (B), a minimum of two selection criteria under Focused Investment Area (C), and a minimum of one selection criterion under each of Focused Investment Areas (D) and (E).

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[1] In this response and elsewhere in this document, defined terms are indicated by capitalization. Defined terms are located in the Definitions sections of the NFP and NIA.
[2] States that have already received an RTT-ELC grant are not included in the above list because they are not eligible for funding.

An absolute priority describes what an eligible State must address in its application in order to receive an award. There is one absolute priority in the RTT-ELC competition: Promoting School Readiness for Children with High Needs. Only applications that meet this priority will be considered for funding. Applicants should address this priority throughout their applications.

Competitive preference priorities allow extra points to be awarded to applications that address certain policy objectives. The RTT-ELC program includes four competitive preference priorities and applicants may choose to address any or all of these priorities.

Competitive Preference Priority 2 is *Including all Early Learning and Development Programs in the Tiered Quality Rating and Improvement System*. Applicants that successfully meet Competitive Preference Priority 2 can receive up to 10 additional points.

Competitive Preference Priority 3 is *Understanding the Status of Children's Early Learning and Development at Kindergarten Entry* through the implementation of a Kindergarten Entry Assessment. Applicants that successfully meet Competitive Preference Priority 3 can earn 10 additional points on an "all or nothing" basis. For Competitive Preference Priority 3, a State will earn all 10 competitive preference priority points if a majority of reviewers determines that the State has met the competitive preference priority. If a majority of reviewers determines that the State has not met the competitive preference priority, a State will earn zero points.

Competitive Preference Priority 4 is *Creating Preschool through Third Grade Approaches to Sustain Improved Early Learning Outcomes through the Early Elementary Grades*. Applicants that successfully meet Priority 4 can receive up to 10 additional points.

Competitive Preference Priority 5 is *Addressing the Needs of Children in Rural Areas*. Applicants that successfully meet this priority can receive up to 5 additional points.

Invitational priorities signal areas in which the Secretaries are particularly interested. However, applicants that address an invitational priority do not earn extra points and are not given preference over applicants that do not address an invitational priority. If an applicant addresses an invitational priority and receives an RTT-ELC grant, the applicant may use funds from the grant for work associated with an invitational priority. The one invitational priority is Invitational Priority 6, *Encouraging Private-Sector Support*.

A-5   Who must sign the State's application?

The State's application must be signed by the Governor or an authorized representative; an authorized representative from the Lead Agency; and an authorized representative

from each Participating State Agency. The State must provide the required signatures in section IV, Application Assurances and Certifications, of the application.

B.   FY 2013 RTT-ELC Eligibility, Participation, and Program Requirements

B-1   Who is eligible to apply for the FY 2013 Race to the Top – Early Learning Challenge program?

States are the only eligible applicants under section 14006(a)(2) of the ARRA. As defined by section 14013 of the ARRA, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

States must meet the following eligibility requirements:

(a) The State has not previously received an RTT–ELC grant.

(b) The Lead Agency must have executed with each Participating State Agency an MOU or other binding agreement that the State must attach to its application, describing the Participating State Agency's level of participation in the grant. At a minimum, the MOU or other binding agreement must include an assurance that the Participating State Agency agrees to use, to the extent applicable--

(1) A set of statewide Early Learning and Development Standards;

(2) A set of statewide Program Standards;

(3) A statewide Tiered Quality Rating and Improvement System; and

(4) A statewide Workforce Knowledge and Competency Framework and progression of credentials.

(c) There must be an active Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program in the State, either through the State under section 511(c) of Title V of the Social Security Act, as added by section 2951 of the Affordable Care Act of 2010 (Pub. L. 111-148), or through an eligible non-profit organization under section 511(h)(2)(B).

B-2   Are Indian tribes, the Department of the Interior/Bureau of Indian Education, or insular areas eligible to apply under the RTT-ELC program?

No. Indian tribes, the Department of the Interior/Bureau of Indian Education, and insular areas are not eligible to apply under the RTT-ELC program. States are the eligible applicants under section 14006(a)(2) of the ARRA and section 14013 of the ARRA does not include Indian tribes, the Department of the Interior/Bureau of Indian Education, and insular areas within the definition of "State."

B-3   What is a Lead Agency and how is the Lead Agency selected?

The Governor of a State must designate, in the application, a State-level agency to serve as the Lead Agency to administer the grant, if awarded. This Lead Agency would be the fiscal agent for the grant and must be one of the Participating State Agencies listed in the definition of Participating State Agency.

States may include other agencies beyond those required agencies listed under the definition in the NIA and application, so long as the optional agencies also meet the definition of Participating State Agency. If the Governor's Office meets the definitions of "Lead Agency" and "Participating State Agency" (in other words, administers public funds related to early learning and development and is participating in the State Plan as indicated in the definition of Participating State Agency), then the Governor's Office may serve as the Lead Agency.

B-4   In what other programs must a State participate if it receives an RTT-ELC grant?

Under program requirements (a) through (c), a State that receives an RTT-ELC grant must continue, for the duration of the grant, to participate in the programs authorized under Section 619 of Part B of the Individuals with Disabilities Education Act (IDEA) and Part C of the IDEA; in the Child Care and Development Fund (CCDF) program; and in the MIECHV program (pursuant to section 511 of Title V of the Social Security Act, as added by Section 2951 of the Affordable Care Act of 2010 (P.L. 111-148)).

The State must also have an operational State Advisory Council on Early Childhood and Care. This means that the State Advisory Council must be designated or established by the Governor, include the required membership, and carry out the required activities described in section 642B(b) of the Head Start Act. In addition, this council must include the administrator from the State's CCDF program, State agency coordinators from programs under both Part B and Part C of the IDEA, and State agency representatives responsible for health and mental health.

One change from FY 2011 to FY 2013 is that the requirement pertaining to State Advisory Councils is now a program requirement instead of an eligibility requirement, due to the fact that Federal funding for State Advisory Councils will end this year at different times for different States. Making this a program requirement instead of an eligibility requirement will ensure that all States have the opportunity to apply regardless of whether they currently have Federal funding. If the State does not have an operational State Advisory Council due to the elimination of the Federal ARRA funds, it may describe in its application how it will use RTT-ELC funds to re-establish its State Advisory Council.

B-5   If a State's MIECHV program is being implemented by a non-profit organization instead of the State, is that non-profit organization eligible to apply for this grant?

No, a non-profit organization operating a MIECHV grant in a State may not apply for an RTT-ELC grant. Eligibility is limited to States.

B-6 **Which State agencies are required to be Participating State Agencies under the State's RTT-ELC State Plan?**

Required Participating State Agencies are those State agencies that administer public funds related to early learning and development and are participating in the RTT-ELC State Plan. The following State agencies are required Participating State Agencies: the agencies that administer or supervise the administration of CCDF, Section 619 of Part B of the IDEA, Part C of the IDEA, State-funded preschool, home visiting, Title I of the Elementary and Secondary Education Act of 1965, as amended (ESEA), the Head Start State Collaboration Grant, and the Title V Maternal and Child Health Services Block Grant, as well as the State Advisory Council on Early Childhood Education and Care, the State's Child Care Licensing Agency, and the State educational agency.

B-7 **May other State agencies beyond the required agencies participate in the State's RTT-ELC State Plan?**

Yes. At the State's discretion, State agencies other than those that are required to participate in the State's RTT-ELC State Plan can elect to participate in the plan and be considered Participating State Agencies. These might include agencies that administer or supervise the administration of child welfare programs, mental health programs, Temporary Assistance for Needy Families, Community-Based Child Abuse Prevention, the Child and Adult Care Food Program, and the Adult Education and Family Literacy Act.

B-8 **What is requested of the State's Attorney General (AG) under application requirement (b)?**

In order for a State to meet application requirement (b), the AG or an authorized representative of the AG must submit a certification that the State's description of and statements and conclusions concerning State law, statute, and regulation in its application are complete and accurate, and constitute a reasonable interpretation of State law, statute, and regulation. The AG or an authorized representative of the AG certifies the accuracy of the application responses by way of a signature.

B-9 **What role can parents, providers and other stakeholders play in the RTT-ELC program?**

Parents, providers, and other stakeholders can play an important role in helping their State win an RTT-ELC grant. For example, stakeholders may play critical roles in supporting a State in implementing its RTT-ELC State Plan, helping to identify and share effective practices, and ensuring that plans are leading to improved quality of programs and outcomes for children. They might, for example, be asked by their State to support the design and development of the State's RTT-ELC proposal, to help the State identify

promising local practices on which to build, or to write statements of support for their State's application. Interested stakeholders may also contact their State Governor's office directly to inquire about their involvement and input in the State's RTT-ELC proposal. States receive points specifically for their stakeholders' involvement under Selection Criteria (A)(3)(a) and (A)(3)(c).

B-10 Are private, including faith-based, early childhood programs required to participate in the RTT-ELC program?

No. The RTT-ELC competition requirements did not mandate or require the participation of private or faith-based early learning providers that do not accept Federal funding or did not choose to participate in a State's RTT-ELC program.

The RTT-ELC grant program is a voluntary competitive grant program. There is no requirement that a State develop a Tiered Quality Rating and Improvement System (TQRIS) that applies to all early learning programs in the State or that States license or regulate all early learning programs. In addition, the competition was designed so that States that exempt faith-based providers from their licensing and inspection systems were not disadvantaged in any way in the scoring of their applications, and States selected for funding are not required to change their approach to faith-based providers. Faith-based organizations operating early learning and care programs are eligible to receive RTT-ELC funds from a State on the same basis as other entities providing early learning and care services in the State. However, while RTT-ELC funds may not be used to support explicitly religious activities as detailed in 34 CFR 75.52(d) and 34 CFR 80.36(j), faith-based organizations, whether or not they participate in the State's RTT-ELC program, retain their independence, autonomy, right of expression, religious character, and authority over their governance.

B-11 How can States ensure that Head Start programs are involved in the activities proposed in their State Plans?

On July 20, 2011, the Office of Head Start in the Department of HHS issued a program instruction encouraging Head Start programs to participate to the fullest extent possible in their State's RTT-ELC application. The information in that program instruction, which can be accessed through the following link, should also be useful to States in planning for the involvement of Head Start programs in their RTT-ELC activities. http://eclkc.ohs.acf.hhs.gov/hslc/Head%20Start%20Program/Program%20Design%20and %20Management/Head%20Start%20Requirements/PIs/2011/resour_pri_003_071311.ht ml.

States and Head Start grantees should be mindful of Head Start program performance standards and other regulations in order to avoid any potential conflicts and maximize the participation of Head Start grantees in their State. Head Start programs may seek guidance from the Office of Head Start regarding clarification of existing Head Start policies and regulations; however, Federal staff cannot comment on specific activities proposed in a State's application.

B-12   How can States ensure that IDEA Part B Section 619 and Part C programs are involved in the activities proposed in the State's plan?

There are a number of ways in which IDEA Part B Section 619 and Part C programs are involved in the implementation of an RTT-ELC grant. First, Participating State Agencies (PSAs) must include the agencies that administer IDEA Parts B and C. Applicants must submit a binding MOU that describes each PSA's level of participation in the grant. The MOU must include a preliminary scope of work that describes the portions of the grant each PSA will administer. Selection Criterion (A)(3) describes how the applicant will be scored based on the extent to which the MOU includes terms and conditions that reflect a strong commitment to the State Plan, including terms and conditions designed to align and leverage each PSA's existing funding to support the State Plan, terms that require PSAs to implement all applicable portions of the State Plan, and a description of efforts to maximize the number of Early Learning and Development Programs that become Participating Programs.

Furthermore, program requirement (a) states that the State Advisory Council on Early Childhood Education and Care must include the State agency coordinators from both Part B Section 619 and Part C of IDEA.   Program requirement (b) states that the State must continue participating in both Part B Section 619 and Part C. In addition, Part B Section 619 and Part C of IDEA are referenced throughout the selection criteria, priorities and definitions, including Selection Criteria (A)(3)(a)(2), (A)(4), and (B)(2).

B-13   May States include "kith and kin" care providers in their proposed plans and activities?

A State may include "kith and kin" care providers, also known as "family, friend, and neighbor care," in their State Plan.

C.   Priorities, Definitions, and Selection Criteria

General Questions:

C-1   What are the differences between the priorities, requirements, definitions, and selection criteria in the FY 2013 competition and those in the FY 2011 competition?

The Departments felt it important to maintain consistency between the FY 2011 application and the FY 2013 application to the extent that it was appropriate, to ensure that applicants could build on the work that went into their FY 2011 applications. Maintaining consistency allows States to use the feedback received in the 2011 competition to improve their applications, and allows all States, regardless of whether they applied for a grant in 2011, to use successful FY 2011 applications as resources. We balanced this desire for consistency with the need to update the competition in appropriate ways, including by making revisions in response to public comments.

In the notice of proposed priorities, requirements, definitions, and selection criteria, published May 20, 2013, the Departments proposed five substantive changes from the FY 2011 application. We revised Priority 3 to simplify scoring and we revised Priority 4 to strengthen its focus on sustaining and building upon early learning outcomes from preschool through third grade. We also revised several program and eligibility requirements (see #A-2, B-1, and B-4).

In response to comments received on that notice, we made these additional adjustments to the priorities, definitions, and selection criteria:

- We clarified in Priority 4, *Creating Preschool through Third Grade Approaches to Sustain Improved Early Learning Outcomes through the Early Elementary Grades*, that the professional development programs described in the priority include other educators, administrators, and related personnel, rather than just teachers.

- We established a new priority (Priority 5) that allows States to describe approaches to meeting the needs of children in rural areas.

- We added language to the definition of Kindergarten Entry Assessment (KEA) indicating that a KEA must not be used as a single measure for high-stakes decision-making.

- We added a table requesting data on the participation of children disaggregated by race and ethnicity to Selection Criterion (A)(1).

- We amended the examples of stakeholders in Selection Criterion (A)(3)(c)(2) to include public television stations.

- We included language on supporting the social and emotional development of children in paragraph (c) of Priority 4 and Selection Criterion (C)(3)(e).

- We included language that supports soliciting and using parental input on children's needs and abilities in educational decision making in the definition of KEA and Selection Criterion (C)(2)(d) and (e).

- We added language relating to building family capacity to support children's learning and build protective factors to paragraphs (b) and (e) in Priority 4, the definitions of KEA, Program Standards, and Workforce Knowledge and Competency Frameworks, Selection Criteria (C)(1) through (4), and Selection Criterion (E)(2)(d).

C-2   How do the priorities, definitions, and selection criteria address the needs of children with social and emotional challenges and the need of families to help children build protective factors?

Building the capacity of families to support their children's learning and development is an important element of this program, and building protective factors is an important part of that family support. Protective factors are factors that increase the health and well-being of children and families and mitigate risk, and may include such factors as nurturing and attachment, knowledge of parenting and of child and youth development, parental resilience, social connections, concrete supports for parents, and children's social and emotional competence. Research has found that successful interventions must both reduce risk factors and promote protective factors to ensure the well-being of children and families.

Priority 4 includes language relating to building parents' capacity to address children's needs, training on the importance of protective factors and effective parent engagement strategies, engaging and supporting families, and informing parents about data systems.

For more information and resources about protective factors, see https://www.childwelfare.gov/can/factors/protective.cfm.

C-3   How do the priorities, definitions, and selection criteria increase the involvement of families of Children with High Needs in their children's early learning and development?

Family engagement strategies are included throughout the priorities, requirements, definitions, and selection criteria. The definition of Program Standards includes culturally and linguistically responsive strategies to engage families and strengthen their capacity to support children's learning and development. Priority 4 includes professional development on effective family engagement strategies in order to sustain improved early learning outcomes through the third grade. Selection Criteria (C)(2)(d) and (C)(2)(e) include soliciting and using family input on children's development and needs as part of training on Comprehensive Assessment Systems.

In particular, Selection Criterion (C)(4), *Engaging and Supporting Families*, refers to culturally and linguistically appropriate information and support of families of Children with High Needs and increasing the number and percentage of Early Childhood Educators trained and supported to implement family engagement strategies.

Priorities:

C-4   Are there priorities that an applicant must meet in order to receive a Race to the Top – Early Learning Challenge grant?

There is one absolute priority in the Race to the Top – Early Learning Challenge Grant competition. Each applicant must address Absolute Priority 1, Promoting School Readiness for Children with High Needs. To meet this priority, an applicant must comprehensively and coherently address how it will build a system that increases the

quality of Early Learning and Development Programs for Children with High Needs so that they enter kindergarten ready to succeed.

The State's application must demonstrate how it will improve the quality of Early Learning and Development Programs by integrating and aligning resources and policies across Participating State Agencies and by designing and implementing a common, statewide Tiered Quality Rating and Improvement System. In addition, to achieve the necessary reforms, the State must make strategic improvements in those areas that will most significantly improve program quality and outcomes for Children with High Needs. Therefore, the State must address those criteria from within each of the Focused Investment Areas (sections (C) Promoting Early Learning and Development Outcomes for Children, (D) A Great Early Childhood Education Workforce, and (E) Measuring Outcomes and Progress) that it believes will best prepare its Children with High Needs for kindergarten success.

An applicant must address Absolute Priority 1 across its responses to the selection criteria and may not address Absolute Priority 1 separately.

If the Departments determine that an applicant has not met Absolute Priority 1, the applicant will not receive an RTT-ELC grant.

C-5   How will peer reviewers score Absolute Priority 1?

The peer reviewers will not assign scores for Absolute Priority 1; rather, reviewers will make a recommendation as to whether an application meets or does not meet Absolute Priority 1. Absolute Priority 1 cuts across the entire application and should not be addressed separately. The peer reviewers will assess applications against Absolute Priority 1, after fully reviewing and evaluating the applications. In those cases where there is a disparity in the reviewers' determinations on the priority, Absolute Priority 1 is met only if a majority of the reviewers on a panel determine that an application meets the priority. If the Departments determine that an applicant has not met Absolute Priority 1, the applicant will not receive an RTT-ELC grant.

C-6   Does the professional development described in Priority 4 include administrators and school leaders?

The professional development described in Priority 4 is intended to meet the needs of a wide range of educators and providers in addition to teachers. Priority 4 states that the professional development programs and strategies described in paragraph (c) are intended for educators, administrators, and related personnel serving children from preschool through third grade.

C-7   How are "rural areas" defined for the purpose of Competitive Preference Priority 5?

The Departments have not defined "rural areas" in order to give applicants flexibility to address the unique needs of their populations. In addressing this priority, applicants should describe their demographics and explain how they define "rural areas." Possible ways to define "rural" include using the National Center for Education Statistics' locale classifications, found at http://nces.ed.gov/surveys/ruraled/definitions.asp, or describing rural areas in the State that have limited access to resources or very small populations. States may also consider using the definition of rural local educational agency (LEA), which is an LEA that is eligible under the Small Rural School Achievement (SRSA) program or the Rural and Low-Income School (RLIS) program authorized under Title VI, Part B of the ESEA. Applicants may determine which LEAs are eligible for these programs at http://www2.ed.gov/programs/reapsrsa/eligible12/index.html.

C-8   How do applicants address the Competitive Preference Priorities?

To meet Priorities 2, 4, and 5, applicants must complete the narrative section identified in the application for each priority. Peer reviewers will consider the quality of those responses. To meet Priority 3, applicants must address Selection Criterion (E)(1) and receive 70 percent or more of the points available for that criterion. Competitive preference priorities are optional.

Definitions:

C-9   What does the term "Indian lands" mean as used in the definition of Children with High Needs?

The definition of Children with High Needs refers to children who reside on "Indian lands" as that term is defined by section 8013 of the ESEA. This is a statutory term used in Title VIII of the ESEA, which authorizes ED's Impact Aid program. Section 8013 defines "Indian lands" as follows:

"[R]eal property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is—

(I) held in trust by the United States for individual Indians or Indian tribes;
(II) held by individual Indians or Indian tribes subject to restrictions on alienation imposed by the United States;
(III) conveyed at any time under the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.] to a Native individual, Native group, or village or regional corporation;
(IV) public land owned by the United States that is designated for the sole use and benefit of individual Indians or Indian tribes; or
(V) used for low-rent housing, as described in Section 8013(10), that is located on land described in subclause (I), (II), (III), or (IV) of this clause or on land that met one of those descriptions immediately before such property's use for such housing; or

(F) [A]ny real property located in the State of Oklahoma that--

(i) is owned by an Indian housing authority and used for low-income housing (including housing assisted under or authorized by the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.]); and
        (ii) at any time--
                (I) was designated by treaty as tribal land; or
                (II) satisfied the definition of Federal property under section 403(1)(A) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding October 20, 1994)."

You may want to check with your State educational agency to see if it has a staff person assigned to Impact Aid issues and, if so, that person may be familiar with the specifics regarding any Indian lands in your State.

Selection Criteria:

C-10   What information should an applicant include in the tables where they are asked to specify?

Under several of the required tables in the application the word "specify" is used. For example, in Table (A)(1)-3 applicants are directed to specify the type of "State-funded preschool" and in Table (A)(1)-12 applicants are directed to specify "Instrument(s) used" In these instances, the applicant should provide any additional clarifying information that they feel would be helpful to the reviewers, such as the types of programs or the names of particular instruments.

C-11   Will stakeholder letters of support submitted directly to the Departments be considered as part of State RTT-ELC applications?

No. Under Selection Criterion (A)(3)(c), peer reviewers consider the strength of letters of support from stakeholders that a State submits *as part of its application*. To be considered, such letters must be included in a State's application. As with any question about a State's RTT-ELC application, stakeholders who wish to submit letters should contact their State Governor's office.

C-12   In Table (A)(1)-4, States are asked to provide data on State spending and State contributions for early learning and development. In providing the data, should a State only list State government funding, or may it include Federal, local, and private funding?

In Selection Criterion (A)(1)(a), applicants are asked to provide evidence of the State's past financial investment in early learning and development by filling out Table (A)(1)-4. In this table, States should provide data on funding from State expenditures for each of the past five State fiscal years (beginning in 2007).   States may use appropriations data for fiscal year 2011 if actual expenditures are not available. This table should not include Federal funding as Federal funding is not part of the demonstrated commitment to early

learning and development that is requested in the selection criterion (there are some limited exceptions described in C-13). There may be instances in which a State would like to include some local or private funding data that demonstrate the State's commitment and investment in early learning and development. In these cases, the State should add a row to the table and clearly indicate for the reviewers the source of the funding and should elaborate on that information in the narrative for Selection Criterion (A)(1) (there are some limited exceptions where local or private funding can be included without adding a separate row, as described in C-13).

C-13   Can you provide additional information about how applicants should fill out the CCDF and TANF cells in Table (A)(1)-4? Specifically, on the lines related to State funding of programs, should a State list only State government funding, or should the State also include local and private funding?

In Table (A)(1)-4, "State" is intended to refer to contributions from State funds, with two important exceptions. For the two items in Table (A)(1)-4 related to CCDF ("*Total State contributions to CCDF*" and "*State match to CCDF*"), the State should include any funding that the State counts towards CCDF State match and CCDF Maintenance-of-Effort (MOE) requirements under Federal rules, including local public funding or private donated funding. Applicants should also note that the amount provided in the row labeled "*State match to CCDF*" is a subset of the previous row labeled "*Total contributions to CCDF*" since some States fund child care above and beyond CCDF match requirements. We have provided that second row in Table (A)(1)-4 specifically on CCDF match in order for States to report the amount of their CCDF match and to indicate whether or not they meet the amount of matching contributions required to draw down all available Federal CCDF funds. We encourage States to include a footnote in Table (A)(1)-4 that describes the funding sources (e.g., local, private) used to meet CCDF match and CCDF MOE requirements.

For the item related to TANF ("*TANF spending on Early Learning and Development Programs*"), this amount should include any Federal or State TANF spending for child care or early learning and development programs. This includes TANF transfers to CCDF as well as direct TANF spending on child care through both assistance and non-assistance.

Note: We are aware that there may be overlap or double-counting in some categories in Table (A)(1)-4. For example, State-funded preschool programs are listed separately but may also be included as part of the CCDF match if the State uses State Pre-K as match for CCDF in accordance with Federal rules. There may also be overlap in State funding claimed for CCDF MOE and TANF MOE.

C-14   In Table (A)(1)- 4 should States exclude funding under CCDF programs that support services to school-age children, and in Table (A)(1)- 5 should they exclude participation data for those children?

In Table (A)(1)-4, States should include CCDF funding for children of all ages, including school-age children. States may not have the ability to report funding by age; therefore, we are asking for the total CCDF funding in this table.

However, in Table (A)(1)-5, States should report only children from birth to kindergarten entry; they should not report school-age children. States collect data on the ages of children served by CCDF and thus have the ability to report figures that are limited to young children.

C-15   **The tables in Selection Criterion (A)(1) request data on CCDF funding and the number of children served in programs receiving CCDF funding. Can HHS tell a State how much CCDF tribal funding has come to a State since 2007? Where can a State find the number of children who are served with tribal CCDF Funds?**

The Administration for Children and Families (ACF) posts the allocations for tribal CCDF grantees at http://www.acf.hhs.gov/programs/occ/resource/ccdf-tribal-funding-allocations.

Tribal CCDF grantees' allocations are based on a count of the number of children in the tribal service area. Tribal grantees also track the number of children they serve. However, at this time, ACF does not post that information publicly. We recommend that States contact the Tribes within their State if they wish to include that information in their application.

C-16   **Selection Criterion (A)(4)(b)(3) considers the extent to which an applicant demonstrates "that a significant amount of funding will be devoted to the local implementation of the State Plan." How will reviewers determine how much is a "significant amount"?**

Selection Criterion (A)(4) requires States to develop a budget to implement and sustain the work of the RTT-ELC grant. It is up to each applicant to describe, in both budget and narratives, how the budget connects to the State Plan and how the State will effectively and efficiently use funding from this grant to achieve the intended outcomes.

The term "significant amount" is not defined because the Departments believe that applicants need the flexibility to describe what constitutes significant in the context of their application and that determining what is a significant amount is a judgment that can be reasonably applied by applicants and reviewers. The Departments will also address this in technical assistance provided to applicants and reviewers.

C-17   **How will the Departments ensure that States' validation of their TQRIS will be meaningful and valid in the context of where States are in their development of TQRIS?**

Under Selection Criterion (B)(5), peer reviewers will evaluate the extent to which a State has developed a plan to validate its TQRIS by measuring whether the tiers of TQRIS

accurately reflect different levels of program quality and whether changes in quality ratings are related to children's progress in learning, development, and kindergarten readiness.

It is up to each applicant to demonstrate that its plan is of high quality and uses appropriate research-based methods and measures. States are not asked to focus on both areas equally or at the same time. Rather, each applicant should describe why its evaluation plan is valid given the context of where the State is in its implementation of TQRIS.

Furthermore, program requirement (f)(4) requires that States receiving an RTT-ELC grant submit their TQRIS validation plans to both Departments for review and comment during the grant period. Experts from the evaluation offices of both Departments will provide constructive feedback to the State on the design of the validation plan, taking into account the context of each State.

C-18   Do the Early Learning and Development Standards described in Selection Criterion (C)(1) support the maintenance of a child's first language?

As defined in the NIA, the Early Learning and Development Standards described in Selection Criterion (C)(1) do not explicitly require that the standards support the maintenance of a child's first language, but they must, among other things, be appropriate for English learners, cover all Essential Domains of School Readiness, and be developmentally, culturally, and linguistically appropriate.

While not explicitly encouraged or discouraged, there is nothing that would prevent States from developing and using statewide, high-quality Early Learning and Development Standards that support the maintenance of a child's first language.

C-19   How will peer reviewers evaluate the content of States' Early Learning and Development Standards submitted in response to Selection Criterion (C)(1)?

Applicants are expected to submit their State Early Learning and Development Standards as part of their response to Selection Criterion (C)(1). States are also expected to submit documentation that their Early Learning and Development Standards are developmentally, linguistically, and culturally appropriate for all children; address all of the Essential Domains of School Readiness and are of high-quality; and are aligned with the State's K-3 academic standards. Peer reviewers will focus their evaluation on the documentation submitted by the State, such as validation that the Standards are developmentally, linguistically, and culturally appropriate for all children. Reviewers can refer to the actual Early Learning and Development Standards as needed to confirm the documentation provided. The Departments will not review or approve the content of States' Early Learning and Development Standards.

C-20   In Selection Criterion (C)(3), are States being asked to meet ambitious yet achievable annual targets for developmental, behavioral and sensory screening,

referral and follow-up for <u>all</u> Children with High Needs <u>beyond</u> those children covered by Medicaid and the Children's Health Insurance Program (CHIP)?

Selection Criterion (C)(3)(d) asks the State, among other things, to indicate the extent to which the State has a High-Quality Plan to identify and address the health, behavioral, and developmental needs of Children with High Needs by leveraging existing resources to meet ambitious yet achievable annual targets to increase the number of Children with High Needs. The intent of this selection criterion is to encourage States to move towards screening all high-need children in the State recognizing that the State will have its greatest, most immediate success and ease with children currently enrolled in Medicaid or CHIP. States can achieve the goal of increasing the number of high-need children screened by identifying and enrolling more eligible children in Medicaid or CHIP and ensuring they are screened, by increasing the number of children screened who are currently enrolled, or both. As evidence of moving toward screening a greater number of high-need children, a State can document its current efforts and activities and provide their plan for doing so.

C-21   How do the selection criteria in the Focused Investment Areas (C) and (D) relate to the State's TQRIS in Core Area (B)?

Under Selection Criterion (B)(1) States receive points for the extent to which they have developed and adopted, or have a High-Quality Plan to develop and adopt, a TQRIS that is based on a statewide set of tiered Program Standards that include Early Learning and Development Standards, assessment systems, health promotion, family engagement, and workforce competencies (see definition of Program Standards in the application). In Focused Investment Areas (C) and (D), States have the opportunity to earn points for building on the fundamental elements that are the underpinnings of a high-quality TQRIS. Most States have well-developed solutions in one or more of these areas, though the areas of focus differ from State to State. The flexibility afforded to States under Focused Investment Areas (C) and (D) to focus on certain areas will enable States to take into account their current strengths, assets, and deficiencies, and build a plan for those areas in which there is a high potential for impact across the State.

C-22   What is a "progression of credentials" as described in Selection Criterion (D)(1)?

Selection Criterion (D)(1) asks States to describe the extent to which they have a High-Quality Plan to develop a common, statewide progression of credentials and degrees aligned with the State's Workforce Knowledge and Competency Framework. While "progression of credentials" is not specifically defined, it can be viewed as a "career pathway," a term that generally refers to a series of connected education and training strategies and support services that enable individuals to secure industry-relevant certification and obtain employment within an occupational area to advance to higher levels of future education and employment in that area. Career pathways provide a clear sequence of education courses and credentials that meet the skill needs of high-demand industries. The Departments view the career pathways approach as a critical strategy for building a great early childhood education workforce and encourage States to incorporate

the essential components of a career pathway outlined in the joint letter at
http://www2.ed.gov/about/offices/list/ovae/ten-attachment.pdf.

Efforts to align professional development opportunities and career pathways with the
State Workforce Knowledge and Competency Framework should include engagement of
career and technical education programs and registered apprenticeship programs. In the
development or expansion of a career pathway, the Departments encourage States to
ensure access for adults interested in early learning careers, including parents who are
recipients of Temporary Assistance for Needy Families and child care subsidies and low-
skilled adults.

D. Comprehensive Assessment Systems and Kindergarten Entry Assessments

D-1 What are the purposes of the Kindergarten Entry Assessment (KEA)?

The KEA is a single-point-in-time measure that is intended to be used as one piece of
evidence that will help States understand what knowledge, skills, and dispositions toward
learning children possess when they begin kindergarten. Results of the assessment
should be used to inform efforts to close the school readiness gap at kindergarten entry, to
inform instruction in the early elementary school grades, and to inform parents about
their children's status and involve them in decisions about their children's education.
This assessment must not be used to prevent children's entry into kindergarten or as a
single measure for high-stakes decisions.

D-2 The definition of KEA states that the KEA may not be used as a single measure to make high-stakes decisions. What does this mean?

As stated in D-1, the KEA must not be used to prevent children's entry into kindergarten
or as a single measure for high-stakes decisions. High-stakes decisions may include, but
are not limited to, sanctions for children, employees, providers, or programs. A KEA
would not be a test for disability or an eligibility-determiner for disability related-
programs. We do expect that the KEA will be one component of a State's assessment
system, and a State's assessment system may be used in making various decisions.

D-3 What domains need to be covered in the Kindergarten Entry Assessment?

The KEA must cover the Essential Domains of School Readiness—the domains of
language and literacy development, cognition and general knowledge (including early
mathematics and early scientific development), approaches toward learning, physical
well-being and motor development (including adaptive skills), and social and emotional
development.

D-4 Must all children participate in the State's KEA if the State chooses to develop and implement one?

A State may choose to develop and implement a KEA (under Focused Investment Area (E)(1) and Competitive Preference Priority 3). A State that chooses to develop and implement a KEA should administer the assessment to children entering public kindergarten no later than the start of school year 2016-2017. A State is not expected to assess children entering kindergarten in private, parochial, or home schools.

D-5 What is the timeline for implementing the KEA if the State chooses to develop and implement one?

If a State chooses to develop and implement a KEA (under Focused Investment Area (E)(1) and Competitive Preference Priority 3), the assessment should be administered to children entering public kindergarten in local educational agencies no later than the start of school year 2016-2017. A State may propose a phased implementation plan that forms the basis for broader statewide implementation. If a State chooses the phased implementation plan, the initial phase must include the KEA being administered no later than the start of the school year 2016-2017.

D-6 What is the relationship between Selection Criterion (E)(1) and Competitive Preference Priority 3?

In order to meet Competitive Preference Priority 3, a State must address Selection Criterion (E)(1) and earn a score of at least 70 percent of the maximum available points for that criterion. States are not required to address the competitive priorities in their applications, but if they do address and meet the priorities, they may earn additional points. In Focused Investment Area (E), States must choose to address at least one selection criterion. If a State chooses to focus on a KEA, it may address Selection Criterion (E)(1). If a majority of reviewers determine that the application earns a score of at least 70 percent of the points available for that criterion, then the applicant will earn 10 additional points under Competitive Preference Priority 3. (For additional information on selection criteria and competitive preference priorities, see A-4.)

D-7 In Selection Criterion (E)(1) States are asked to describe their plans to implement a common statewide KEA. What is meant by "a common, statewide" assessment?

The definition of KEA provides that the assessment must be administered to children during the first few months of their entry into kindergarten, must (a) cover all of the Essential Domains of School Readiness, (b) conform to the recommendations of the National Research Council reports on early childhood, (c) be valid and reliable for its intended purposes and for the target population, and (d) be aligned with the State's Early Learning and Development Standards. States may choose to use a common battery of assessments that meets these requirements rather than a single assessment so long as the battery is used throughout the State.

D-8   **May a State apply to receive both an RTT-ELC grant and an Enhanced Assessment Grant (EAG) under the FY 2013 competitions?**

Yes. The two competitions are independent and the results of one will not affect the results of the other. A State receiving an EAG is eligible to apply for an RTT-ELC grant. However, such applicants must propose activities in their RTT-ELC applications that would not duplicate activities funded by EAG (States will learn the results of the EAG competition by September 30, 2013). For example, a State that receives a grant under the EAG program may wish to describe in Section E(1) of the RTT-ELC application how it will use EAG funds to support the goals of the RTT-ELC program and should also make clear in its budget that activities will not be duplicated.

E.   Application Process and Submission Procedures

E-1   What is the competition schedule?

The application was posted on the RTT-ELC Web site on August 28, 2013. The deadline for transmittal of applications is October 16, 2013. The Departments will announce the winning States in December 2013.

E-2   Will the Departments announce the States that submit FY 2013 RTT-ELC applications?

Yes, shortly after the deadline for the submission of FY 2013 RTT-ELC applications, the Departments will announce and post on the RTT-ELC Web site the States that submitted applications.

E-3   When will the Departments post the FY 2013 RTT-ELC applications on the program Web site?

We will post all applications submitted by the eligible States once the appropriate redactions have been completed. Therefore, please limit the personally identifiable information, proprietary information, or other non-public information that you include in your application to enable the redaction process to be completed as quickly as possible.

E-4   What technical assistance will the Departments offer to prospective applicants?

The Departments will host a Webinar on September 4, 2013, in order to provide applicants with an orientation to the RTT-ELC application. The Departments also plan to host a day-long Technical Assistance Planning Workshop on September 10, 2013. To minimize the travel burden and maximize the number of potential applicants who can participate, this workshop will be conducted both in person and via video teleconference. The purpose of the workshop will be to review the application requirements, selection criteria, and priorities in depth, and to answer States' questions about the program, the NIA, and the application package. For those who cannot participate on September 10,

2013, a link to a video recording of the conference will be made available on the RTT-ELC Web site. The Departments may host additional conference calls or Webinars to answer applicant questions, if needed. Registration information and additional details for the technical assistance events are available on the RTT-ELC Web site: www.ed.gov/programs/racetothetop-earlylearningchallenge.

E-5   Who will review the RTT-ELC applications?

The Departments will use independent peer reviewers chosen from a pool of qualified educators, scholars, and other individuals knowledgeable in early learning and development. The Departments will thoroughly screen all reviewers for conflicts of interest to ensure a fair and competitive review process.

The Departments are identifying qualified external peer reviewers to evaluate applications for the RTT- ELC competition. The Departments will require potential RTT – ELC peer reviewers to indicate their degree of expertise or experience in various sectors of early learning and development, including: cross-sector systems-building; implementation, administration, research or professional development for programs serving Children with High Needs from birth to kindergarten entry; and development, analysis, or implementation of Early Learning and Development Standards, Program Standards, Tiered Quality Rating and Improvement Systems, workforce and professional development, family engagement initiatives, health promotion, assessment, or data systems.

E-6   Will reviewers' comments for all applications be made public?

Yes. The Departments plan to post reviewers' comments for each application--both successful and unsuccessful applications--on the RTT-ELC Web site soon after the conclusion of the competition. The names of the reviewers will be redacted.

E-7   Will States that are not awarded grants receive feedback on their applications?

The Departments will make peer reviewer comments available to States that are not awarded grants as soon as possible after those determinations are made. Though we will release the names of reviewers who scored applications during the competition, we will not link reviewers to the State applications they reviewed.

E-8   Will peer reviewers review only portions of a State's application?

All peer reviewers will review each full application assigned to them and not just select sections.

E-9   How will the scoring rubric for reviewers be used?

The purpose of the scoring rubric is to help ensure consistency among reviewers by giving them clear, common, written guidance on factors to consider when scoring

applications against each selection criterion and the priorities. The selection criteria and priorities that appear in the rubric are identical to those that appear in the NIA. For more detail, see Appendix A, Scoring Rubric, published in the NIA.

E-10   What are the submission requirements for the RTT – ELC application?

Applicants for a grant under this competition must submit: (1) an electronic copy of the application; and (2) signed originals of certain sections of the application. Applicants must submit their application in electronic format on a CD or DVD, with CD-ROM or DVD-ROM preferred. We strongly recommend that the applicant submit three CDs or DVDs. Each of these three CDs or DVDs should include the following four files:

> (1) A single file that contains the body of the application narrative, including required budget tables, that has been converted into a searchable .PDF document. Note that a .PDF created from a scanned document will not be searchable;
> (2) A single file in a .PDF format that contains all application appendices;
> (3) A single file in a .PDF format that contains all of the required signature pages. The signature pages may be scanned and turned into a PDF. Applicants should also include all signed MOUs or other binding agreements for each Participating State Agency in the application; and
> (4) A single, separate file of the completed electronic budget spreadsheets (e.g., .XLS or .XLSX formats) that includes the required budget tables and budget justifications (the spreadsheets will be used by the Departments for budget reviews).

Each of these items must be clearly labeled with the applicant's name, city, state, and any other relevant identifying information. Applicants also must not password-protect these files. Additionally, please ensure that: (1) all three CDs or DVDs contain the same four files; (2) the files are not corrupted; and (3) all files print correctly. The Departments are not responsible for reviewing any information that is not able to be opened or printed from your application package.

In addition to the electronic files, applicants must submit signed originals of section IV of the application and one copy of that signed original. The Departments will not review any paper submissions of the application narrative and appendices. All applications must be submitted by mail or hand delivery. Whether you submit an application by mail or hand delivery, you must indicate on the envelope the CFDA number, including suffix letter, if any, of the competition under which you are submitting your application. The instructions for each delivery method are provided in the NIA. We must receive the application by 4:30:00 p.m., Washington, DC time, on October 16, 2013. If we receive an application after the application deadline, we will not consider that application.

E-11   Should a State include hyperlinks in its application?

A State should not include hyperlinks to Web sites in its application. Peer reviewers will be instructed not to open or follow such hyperlinks. We understand that hyperlinks can

be a convenient way to provide information. However, to ensure the integrity and fairness of the competitive process, the peer reviewers will only consider information submitted as part of an application, by the application deadline. Because hyperlinks can be updated after the deadline for submitting applications, we will not consider them to be part of an application.

E-12   Should a State format its application in color or in black and white?

We recommend that States format their applications in black and white as we will print the applications in black and white for peer reviewers.

E-13   Recommended page numbers are provided throughout the application. Will an application be penalized for exceeding the recommended page numbers?

The recommended page lengths for narratives and appendices are not binding limits. Applicants will not be penalized for exceeding them. But keep in mind, from a reviewer's point of view, clarity matters and brevity will be appreciated.

F.   Budget and Uses of Funds

F-1   In developing the proposed RTT-ELC State Plan in the application, may a State propose to distribute funds to localities and other entities? If so, to whom and using what mechanisms?

Yes. A State may distribute RTT-ELC grant funds to localities, Early Learning Intermediary Organizations, Participating Programs, or other partners, including faith-based organizations, through subgrants, MOUs, interagency agreements, contracts, or other mechanisms authorized by State procurement laws. Faith-based organizations are eligible to receive funds on the same basis as any other private organization. RTT–ELC funds may not be used to support explicitly religious activities.

Initially, States were not permitted to subgrant funds under this program. However, the fiscal year 2012 Appropriations Act (P.L. 112-74), enacted into law on December 23, 2011, specifically provided that a State may make subgrants to public or private agencies and organizations under the RTT-ELC program. As a result, the Lead State Agency and Participating State Agencies may, consistent with the State's approved plan, distribute funds to localities and other entities through MOUs, interagency agreements, contracts, other mechanisms authorized by State procurement laws, or subgrants. As always, a State's laws and procedures govern subawards. P.L. 112-74 does not require grantees to make subgrants; it simply provides grantees with this additional mechanism for distributing RTT-ELC funds, so long as awarding subgrants is consistent with State law and does not result in a change of the scope or objectives of the grant.

F-2   What budgetary information are States required to submit with their applications?

States are required to submit budgetary information in both the application and in separate budget spreadsheets:

- In the application: States must provide the required budgetary information by responding to Selection Criterion (A)(4), as follows:

  - Providing a narrative in the text box following (A)(4) that addresses (A)(4)(a) and (c) and filling out Table (A)(4)-1; and

  - Providing the budget tables and narratives requested in the Budget Section of the application (Section VIII) and ensuring that these responses address Selection Criterion (A)(4)(b).

In separate budget spreadsheets: States are also required to fill out and submit with their application the budget spreadsheets. States are responsible for transferring the information from these spreadsheets to the Budget Section of the application. These spreadsheets can be found on the RTT-ELC Web site http://www2.ed.gov/programs/racetothetop-earlylearningchallenge/index.html. These spreadsheets will not be reviewed or scored by peer reviewers and will only be used by the Departments for budget reviews for those applicants that are awarded grants.

F-3   What are the budget spreadsheets referred to in the NIA and application, and why are States required to submit them?

The Departments have prepared a set of spreadsheets that contain all of the budget tables that States are required to fill out and submit as part of their application (See Budget Section VIII of the application). However, applicants are required to submit the completed set of budget spreadsheets on the CD/DVD that they submit to the Departments.

These budget spreadsheets will serve several purposes:
- The spreadsheets will guide States in developing their RTT-ELC grant budget.
- The spreadsheets will help States produce overall statewide budgets that are accurate and consistent with their individual Participating State Agency and project budgets because the spreadsheets contain formulas that will automatically calculate the States' overall statewide budget tables.
- When the spreadsheets are complete, they will contain all the budget tables that States are required to submit in the Budget Section of the application and make it easier for States to transfer this information into the required tables in the application.
- The completed set of spreadsheets will help the Departments conduct budget reviews for the highest-scoring applicants prior to award.

The separate budget spreadsheets contain detailed instructions to States on how to complete them when preparing their RTT-ELC budget. The Departments recommend that

each applicant complete all the budget spreadsheets first and then copy each table <u>in its entirety</u> into the appropriate part of the Budget in Section VIII of the application. The Departments do not recommend that States directly type individual numbers into the tables in the Budget Section of their applications. Copying the tables in their entirety from the budget spreadsheets and pasting them into Budget Section VIII of the application will help reduce errors and ensure that the State's budget numbers are consistent and accurate.

As explained in Section VIII of the application, States should be careful when copying tables from the separate spreadsheets into their Budget Sections <u>to preserve the requested order for the tables and narratives.</u> In Part II of the Budget Section, States should present a complete package for each Participating State Agency before providing information for a different Participating State Agency (e.g., Participating State Agency 1 -Budget by Category table, Budget by Project table, and Narrative; Participating State Agency 2 - Budget by Category table, Budget by Project table, and Narrative; Participating State Agency 3 - Budget by Category table, Budget by Project table, and Narrative; etc.)

F-4   What budgetary information will peer reviewers score?

Peer reviewers will review and score only the budgetary information that a State includes in the single .PDF file of its application. As outlined in F-2 above, this information should include the State's narrative response to Selection Criterion (A)(4)(a) and (c), the State's completed Table (A)(4)-1, the completed Budget Section of the application (Section VIII), and any additional information the State refers to in its narratives and chooses to include in an appendix. By scoring the budget tables as part of the Budget Section, rather than in a stand-alone budget spreadsheet format, peer reviewers will be able to review the tables with the State's budget narratives and thus will be better able to construct a clear picture of the State's proposed budget. Any budgetary information submitted outside the single .PDF file of the State's application will not be considered or scored by peer reviewers.

F-5   What are the rules governing MOUs?

There are two approaches States may take; either approach is fine. In the first approach each Participating State Agency (PSA) would execute its own MOU, including a scope of work, with the Lead Agency. In the second approach there would be one master MOU that would be executed by each PSA, and then individual scope-of-work exhibits would be attached for each PSA. That is, if an applicant submits one master MOU, the master MOU must be signed by each PSA and the applicant must include in the master MOU a separate scope of work for each PSA.

One PSA may sign one MOU that indicates its multiple responsibilities for different programs within the administrative authority of the agency. Each agency head or its authorized representative must sign an MOU on behalf of his or her agency. The goal of the MOU is to make clear the roles, responsibilities, and activities of each agency under the State Plan and to show the commitment of each agency to that plan.

Each applicant must submit preliminary scopes of work for each Participating State Agency as part of an executed MOU or other binding agreement between the State's Lead Agency and each Participating State Agency. Each preliminary scope of work must describe the portions of the State's proposed State Plan that the Participating State Agency is agreeing to implement. In a State where the Lead Agency administers funds for multiple programs that are listed in the definition of "Participating State Agency," the Lead Agency would outline its responsibilities as they relate to all listed programs that it administers. The scopes of work must make clear what roles and responsibilities the Lead Agency has under the State Plan for each of the programs listed in the definition of "Participating State Agency." The programs, agencies, and entities that are required participants under the definition of "Participating State Agency" and, therefore, must be reflected in scopes of work include agencies that administer or supervise the administration of the following: the Child Care and Development Fund (CCDF); Section 619 of Part B of the Individuals with Disabilities Education Act (IDEA); Part C of IDEA programs; State-funded preschool; home visiting; Title I of the ESEA; the Head Start State Collaboration Grant; and the Title V Maternal and Child Health Services Block Grant; as well as the State Advisory Council on Early Childhood Education and Care; the State's Child Care Licensing Agency; and the State Education Agency.

F-6 **How may a State include indirect costs in its FY 2013 RTT-ELC budget?**

A State may choose either to allow each PSA to use its own approved indirect cost rate or may use the same approved indirect cost rate for all of its PSAs. If the State chooses to use a single indirect cost rate, the State must use the lowest approved rate among the PSAs. If the State chooses to use different approved indirect cost rates for different PSAs, the applicant must copy the Indirect Cost form on page 91 of the application and complete that form for each PSA.

Note: A State may apply its indirect cost rate against contracts only to a very limited extent. More specifically, a State may apply its approved indirect cost rate only against the first $25,000 of each contract on a yearly basis, and not against the full amount of each contract. Therefore, for example, a State may apply its indirect cost rate only against the first $25,000 of each contract included in line 6 (Contractual) of the Budget Summary Tables and the Participating State Agency Level Budget tables.

For more information about indirect cost rates, please refer to the Department's *Cost Allocation Guide for State and Local Governments*. This guide may be found at: http://www2.ed.gov/about/offices/list/ocfo/fipao/guideigcwebsite.pdf.

F-7 **May subrecipients charge indirect costs? For a subrecipient to charge indirect costs, would it first have to have an approved indirect cost rate?**

Yes, subrecipients (entities receiving subawards from a State RTT-ELC grantee) may charge indirect costs to their RTT-ELC awards, subject to the limitations of applicable Federal and State rules regarding indirect costs. Under RTT-ELC a State may make

subawards through MOUs, interagency agreements, contracts, or other mechanisms authorized by State procurement laws, or through subgrants to its specified subrecipients, including LEAs, local public or private agencies and organizations, or intermediary service agencies.

If a subrecipient of RTT-ELC funds is an LEA, it may charge indirect costs to its RTT-ELC subaward under the LEA's indirect cost rate, which is generally approved annually by its SEA. If a subrecipient other than an LEA has an indirect cost rate approved by the cognizant Federal agency or approved by the State under a delegation agreement between the State and the cognizant Federal agency, then it must apply the approved rate. If a subrecipient does not have an approved indirect cost rate, the State must ensure that the indirect costs the subrecipient proposes to charge are reasonable and necessary to the subrecipient's performance under the RTT-ELC grant, and comply with all applicable State and Federal rules. States are responsible for ensuring that each RTT-ELC subrecipient charges only reasonable and allowable indirect costs to the RTT-ELC grant. Please note that although the approved rate is the maximum rate that a subrecipient may apply, a subrecipient may choose to apply a lesser rate. The grantor will expect States to regularly monitor subrecipients charging indirect costs to the grant to ensure that the costs charged are reasonable and necessary to performance under the grant.

Please note that States and subrecipients may apply their approved or recognized indirect cost rate only against the first $25,000 of any contract or subgrant, and only under circumstances that require meaningful administrative support in distributing and handling the contracted or subgranted funds.

F-8   What are the rules that govern the amount of RTT-ELC funds that a grantee (including its PSAs) or subrecipient may draw down at any one time?

A State must have an effective system for managing the flow of funds that ensures funds may be drawn down as needed to pay program costs and that also minimizes the time that elapses between the transfer of the funds and their disbursement by the grantee or subrecipient, in accordance with U.S. Treasury regulations at 31 CFR 205 (see 34 CFR 80.21(b)). When advances are made by letter of credit or electronic transfer of funds, the grantee must make drawdowns of grant funds as close as possible to the time of disbursement and must ensure that PSAs adhere to a similar standard. Grantees and subrecipients must promptly, but at least quarterly, remit to ED any interest earned on advances (34 CFR 80.21(i)). Additionally, as required by 34 CFR 80.20 and OMB Cost Circular A-87, a grantee must keep adequate records of all salaries and wages charged to the grant. ED will take appropriate actions against grantees and subrecipients that fail to comply with these requirements.

F-9   How must a grantee account for RTT-ELC funds?

Consistent with 34 CFR 80.20(a), each grantee must expend and account for grant funds in accordance with State laws and procedures and, among other things, maintain fiscal

control and accounting procedures sufficient to permit the tracing of grant funds to a level of expenditures adequate to establish that such funds have been used for allowable costs. Similarly, each grantee must ensure that its PSAs adhere to this same standard and that all grant and PSA costs incurred using grant funds are necessary and reasonable.

As such, a grantee must not commingle grant funds with other funds under control of the grantee, even if such other funds are used for similar purposes. Allowable activities may be funded from multiple funding sources; however, grantees must ensure that funds are accounted for separately. In this context, commingling means combining funds without maintaining separate accounting records for each funding source. The burden of proof is on the grantee to establish that any grant costs incurred are necessary and reasonable.

F-10   How may States use the $400,000 set aside for technical assistance?

Grantees may use the TA set-aside funds for travel expenses to meetings held by ED and HHS. Grantees must continue to hold these funds in reserve pending further guidance from ED and HHS in the near future on additional uses of these funds. These funds may not be used to provide technical assistance to local early learning programs and other stakeholders.

F-11   May a grantee use RTT-ELC funds to pay for activities (such as increasing access to and improving the quality of Early Learning and Development Programs) that were funded by another program prior to the State receiving an RTT-ELC grant?

Yes, however RTT-ELC funds must be used only to supplement, and not supplant, any Federal, State, or local funds that in the absence of the funds awarded under an RTT-ELC grant, would be available for increasing access to and improving the quality of Early Learning and Development Programs. In no case may RTT-ELC funds be used to supplant--*i.e.,* take the place of--funds from Federal, State, or local sources available for these purposes. Unlike many supplement, not supplant provisions, a grantee cannot use RTT-ELC funds to supplant other Federal funds. It is important to remember that all RTT-ELC funds must be used in accordance with an approved State Plan.

F-12   Is there a matching or maintenance-of-effort requirement for RTT-ELC?

No. There are no matching or maintenance-of-effort requirements for RTT-ELC. However, as stated in F-11 and in RTT-ELC program requirement (l) in the NIA, funds made available under an RTT-ELC grant must be used to supplement, not supplant, any Federal, State, or local funds for activities such as increasing access to and improving the quality of Early Learning and Development Programs. If a State is using funds from another funding source to support elements of its RTT-ELC plan, the State must comply with all applicable requirements associated with that funding source, including any match or maintenance-of-effort requirements.

In addition, each RTT-ELC State will be responsible for implementing its high quality State Plan, including meeting its stated goals for maintaining or expanding the number

and percentage of Children with High Needs served by Early Learning and Development Programs in the State.   While there is no specific maintenance-of-effort requirement for this program, we strongly encourage States during and after the grant period not only to implement with fidelity, but to sustain and build on the strengths of their existing programs, improve quality and ultimately deliver a coordinated set of services and experiences that support young children's success in school and beyond.

F-13 Program requirement (d) indicates that "the State is prohibited from spending funds from the grant on the direct delivery of health services." Can you provide some clarification about what this means?

Program requirement (d) prohibits a State from using RTT-ELC grant funds to provide direct health services. Direct health services are considered services or equipment provided by a doctor or other medical professional such as well child care visits, immunizations, preventive or restorative dental services, and eyeglasses.

Activities that support positive health practices, healthy development, and behavioral health such as screenings and health consultations, as they are currently performed within early learning and development programs such as Head Start, are not considered direct health services, and States may use program funds for such activities as identified in their State Plan. Also remember that RTT-ELC funds must be used to supplement, not supplant existing funds and services.

Note that peer reviewers will not score applications on program requirements; however, the Departments will monitor grantees on their implementation of these requirements once grant awards have been made.

G.   Accountability and Reporting Requirements

G-1   What are the reporting requirements for RTT-ELC?

A State receiving RTT-ELC funds must submit an annual report that includes, in addition to the standard elements, a description of the State's progress to date on its goals, on meeting its timelines, and on its adherence to budgets, as well as a description of actual performance compared to the annual targets the State established in its application with respect to each performance measure. For more details, see the reporting requirement published in the NIA. We will provide additional information and technical assistance on completing the annual report at a later date.

G-2   Does the receipt of RTT-ELC funds require recipients to comply with Federal civil rights laws?

Yes. States receiving Federal RTT-ELC funds must comply with Federal civil rights laws that prohibit discrimination based on race, color, national origin, sex, disability, and

age. State agencies, intermediary organizations, and local providers receiving RTT-ELC funds from the Lead State Agency must also comply with Federal civil rights laws.

G-3   **Are States accountable for the commitments that they propose in their applications?**

States are accountable for meeting the goals, timelines, budgets, and targets established in their applications and should adhere to a drawdown schedule that is tied to meeting those goals, timelines, budgets, and targets. In addition the Departments will review a State's performance against these items on a regular basis. If a State receives a grant, it is conceivable that it may need to make some revisions, provided that such revisions do not change the overall scope and objectives of the approved proposal.

Significant changes to a proposal could affect the State's ability to deliver on its grant goals or affect the scope of its grant proposal. Such changes would need to be reviewed and considered on a case-by-case basis by the Departments, and could result in changes in or possible partial or complete termination of the State's grant. States must inform and seek the prior approval of the Departments on any substantive changes in their approved grant applications, including any expansion of exemptions to licensing program beyond those that are identified in the State's application.

If a grantee or subgrantee fails to comply with requirements governing the funds, the Departments may, consistent with applicable administrative procedures, take one or more enforcement actions, including withholding or suspending, in whole or part, funds awarded under the program, or recovering misspent funds following an audit.

G-4   **What are the reporting requirements for the Federal Funding Accountability and Transparency Act (FFATA) and the American Recovery and Reinvestment Act (ARRA)?**

For new Federal grants as of October 1, 2010, if the initial award is equal to or more than $25,000, reporting of subaward and executive compensation data under FFATA is required. Grantees, referred to as "prime awardees," must report using the FFATA Subaward Reporting System (FSRS), and must, therefore, register in FSRS. The key FFATA data reporting elements are: name of entity receiving award; amount of award; funding agency; Catalog of Federal Domestic Assistance (CFDA) program number for grants; program source; award title; and location of the entity. To facilitate subaward reporting, the prime awardee must report information related to a subaward by the end of the month following the month the subaward or obligation was made. Similarly, the prime awardee must report the subawardee's executive compensation data by the end of the month following the month the award or obligation was made. Additional information about FFATA reporting is available on the FSRS Web site at: https://www.fsrs.gov/, which includes links to FFATA FAQs and the Office of Management and Budget Guidance on FFATA.

Unlike Phase I and Phase II grantees under the Race to the Top State Competition, RTT-ELC grantees do not need to meet the reporting requirements that apply to ARRA-funded

programs, such as quarterly reports under section 1512(c) of the ARRA (ARRA Division A, Section 1512(c)).

H.   Resources and Information

H-1   Where can one obtain updated information or answers to questions about the RTT-ELC program?

In addition to these RTT-ELC FAQs, applicants and other interested persons should review the previous RTT-ELC program FAQs posted at http://www2.ed.gov/programs/racetothetop-earlylearningchallenge/faq.html.

The Departments will post updated information about the FY 2013 RTT-ELC program on the RTT-ELC Web site at: http://www2.ed.gov/programs/racetothetop-earlylearningchallenge/index.html.

You may submit specific questions about the RTT-ELC competition to the following e-mail address: RTT-ELC.P3.Competition@ed.gov. We encourage eligible applicants to submit questions and will make every effort to respond promptly.