

## *Preschool Development Grant FY24 Guidance Manual*

ARIZONA DEPARTMENT OF EDUCATION, EARLY CHILDHOOD EDUCATION



**ARIZONA DEPARTMENT OF  
EDUCATION**

**Preschool Development Grant FY 24 Guidance Manual**

The Arizona Department of Education  
Early Childhood Education Unit  
1535 W. Jefferson St., Bin #15, Phoenix, AZ 85007

**Contributors:**

Lourdes Johnson, Chelsea Rousseau, Caris Hall, Wendy Flynn, Wendy Logue, Priscilla Sachs, Patsy Rethore-Larson, Rhonda Finding, Laura Lee, and Alexis Horne.

**PDG Inquiries:**

[Early Childhood Education Team | Arizona Department of Education \(azed.gov\)](#)

PDGinbox@azed.gov

**General Inquiries:**

ECEInbox@azed.gov or 602.364.1530

**For additional statewide early childhood resources:**

[Welcome to Early Childhood Education | Arizona Department of Education \(azed.gov\)](#)

Early Childhood Special Education: [Early Childhood Special Education | Arizona Department of Education \(azed.gov\)](#)

*Manual has hyperlinks.*

<b>OVERVIEW.....</b>	<b>5</b>
<b>HIGH NEEDS COMMUNITIES .....</b>	<b>5</b>
Mixed Delivery System .....	5
Providing Services to Families Most in Need .....	6
Child Recruitment, Enrollment, and Eligibility .....	7
Age Requirements .....	7
Family Income .....	8
<b>ALIGNMENT WITHIN A BIRTH THROUGH THIRD GRADE CONTINUUM .....</b>	<b>8</b>
Early Childhood Quality Improvement Practices (ECQUIP) Process.....	8
Transition to Kindergarten .....	9
School Readiness .....	9
<b>A HIGHLY QUALIFIED WORKFORCE .....</b>	<b>10</b>
Staff Compensation .....	10
Staff Preparation and Planning Time .....	10
Staff Qualifications: Early Childhood Education Certificate and Endorsement .....	10
Education Attainment Plan.....	11
<b>HIGH QUALITY PROGRAM OPERATIONS .....</b>	<b>11</b>
Empower & GONAPSACC Program .....	11
Environment .....	11
Culturally and Linguistically Responsive Programming .....	11
Curriculum, Standards, and Instructional Strategies .....	11
Child Screening .....	11
Inclusion of Children with Special Needs .....	13
Local Attendance Policy .....	13
Early Childhood Expulsion .....	14
On-Going Progress Monitoring and Child Assessment .....	14
Program Hours of Operation .....	15
Staff-to-Child Ratio and Class Size .....	15
Primary Home Language Other Than English (PHLOTE) .....	15
<b>COMPREHENSIVE SERVICES .....</b>	<b>16</b>
Least Restrictive Environment (LRE): .....	17
AZ/Child Find: .....	17
Family Engagement: .....	17
Community Partnerships and Resources .....	18
Sustainability .....	19
<b>GRANT ADMINISTRATION AND FISCAL REQUIREMENTS .....</b>	<b>19</b>
Award Letters .....	20
Allocations .....	20
Budget Requirements .....	20
Allowable Expenditures .....	22
Disallowable Expenditures .....	23
Duplicating .....	24
Supplanting.....	24

Administrative Costs, Indirect Cost Rates and Direct Costs.....	24
Out of Compliance .....	26
Time and Effort .....	26
<b><i>PROGRAM EVALUATION</i></b> .....	<b>26</b>
Quality First .....	26
<b>ADE ECE QUALITY AND COMPLIANCE MONITORING</b> .....	<b>27</b>
Program Reporting .....	28
ADE EQCUIP Monitoring.....	28
Out of Compliance -Action Plan.....	28
<b><i>PROFESSIONAL DEVELOPMENT</i></b> .....	<b>29</b>
<b><i>EARLY CHILDHOOD PROGRAM SPECIALISTS</i></b> .....	<b>29</b>
Technical Assistance.....	30

## OVERVIEW

---

### ***Summary of the Preschool Development Grant***

The [Arizona Department of Education](#) (ADE) [Early Childhood Education](#) (ECE) believes that every family should have equal opportunity to choose high-quality early care, education settings, and education services that enable all children, to enter kindergarten prepared and ready to succeed. Research has demonstrated that early care and education starting from birth is an investment that yields high returns for children as they progress through kindergarten, elementary school, college, careers, and ultimately when they become contributing members of their communities. Families choose early care and education for their children for a variety of reasons and should be presented with options for programs that are high quality. High Quality programs should be situated in areas that are accessible to families' homes and workplace, have qualified staff working in their center, and are affordable choice for families.



ADE ECE has an opportunity to partner with high needs communities (HNC) through the Preschool Development Grant (PDG). The purpose of the PDG, offered through the US Department of Early Learning, is to assist states in developing and enhancing capacity to deliver high-quality preschool programming as well as implement and sustain quality preschool for eligible children, increasing the number of children who receive high quality early care and education services and improving young children's success in school and beyond. High quality early childhood services that include comprehensive services have been strongly linked to both academic and life skills success among children. Research shows children who come from families with several risk factors show the most gain from access to high quality early childhood programs. PDG offers an opportunity for children and families to access high quality early childhood programs by allocating funds to HNCs. Funding will support programming for those children who may not otherwise have access to high quality early care and education during the year prior to their kindergarten entry by either increasing the number of hours that children participate in a high-quality program or by increasing the number of children who are served.

For additional federal PDG information click [here](#).



**THE HIGH NEEDS COMMUNITIES**

---

High Needs Community (HNC) means a geographically defined area, such as a city, town, county, neighborhood, district, rural or tribal, or consortium thereof, with a high level of need as determined by indicators of poverty, opportunity zones, census track, literacy, and preschool gap data.

Arizona prioritizes coordination and collaboration among early childhood service providers as critical to developing a seamless service delivery system for children and families. Coordination and collaboration are described as two or more organizations working together in the delivery of programs and services to a defined population. As a result of coordination and collaboration, services are often easier to access and are implemented in a manner that is more responsive to the needs of the children and families. Coordination and collaboration may also result in greater capacity to deliver services because organizations are working together to identify and address gaps in service, which results in higher quality services and cost efficiency.

A sub-grantee means an early learning provider serving at least one HNC that is receiving a sub-grant from the state and is participating in the state's ambitious and achievable PDG. The provider may be a public/charter school programs as well as private, public, for-profit programs, non-profit programs, faith-based, family childcare, Head Start, or tribal program.

Sub-grantees must work with and participate in coordination and collaboration activities occurring within the HNC being served. This may include but is not limited to engaging with other partners delivering the same or similar programs and services; connecting families to comprehensive services, clarifying target populations and outcomes; and defining processes and plans to reach desired outcomes. There will be local collaborative meetings within the HNC hosted by the LEA as part of the Early Childhood Quality Improvement Practices (ECQUIP) process. Every sub-grantee will designate a representative to attend ECQUIP meetings. Subgrantees should plan the appropriate staffing and budget to support travel to and attendance at meetings within the HNC area or at statewide meetings, as appropriate.

The sub-grantees in the high needs' community will work in ongoing collaboration to assess additional comprehensive services needed and local support options. The HNC should have representation at their local First Things First Regional Council meetings to obtain greater resources, share knowledge, learn together and build consensus. Sub-grantees will collaborate with other early childhood education consultants including, but not limited to Child Care Health Consultants, Mental Health Consultants, Inclusion Coaches, Arizona Self Study Project Specialists, ADE Early Childhood Specialists, DHS Surveyors, DES Certification Specialists and Institutes of Higher Education.

### **Mixed Delivery System**

Mixed Delivery System is defined as a collaborative partnership between a Local Education Agency (LEA) and community-based programs with the purpose of establishing a relationship that fosters a seamless system of early care and education, birth through grade 3. Inherent in

the mixed delivery system strategy is the principle that all families have the right to access a high-quality early childhood program regardless of income, children's abilities or other factors. This grant allows for family income eligibility up to 200% of the Federal Poverty Level. In utilizing a mixed delivery system, families have access to a wide array of program types. All programs will participate in collaborative efforts with the various local early childhood education programs in the community for the purpose of providing families with continuity of services under this funding.



The mixed delivery system is based on methods by which early care and education programs work collaboratively to provide educational and comprehensive services to preschool age children in various settings. Financing early childhood education programs through a mixed service delivery model ensures that sufficient resources and standards are in place to support high quality through coordinated community efforts. A true mixed delivery system requires equal and equitable access to programs and funding across early care and education settings including public schools, private, Head Start programs, tribal programs, for-profit and non-profit preschools or centers, family childcare, and faith-based programs. A mixed delivery system offers parents a choice as to where their children receive quality early childhood experiences. Each high needs community should include in their mixed delivery system ways to:

- *Work in collaboration to increase the number and percentage of eligible children served in their least restrictive environment within a high-quality preschool program.*
- *Develop and implement a written plan outlining how the programs will collaborate within their communities to combine resources and recruit families and establish a system with a goal that ensures families on a wait list are placed in a high needs community option that has the earliest opening.*
- *Ensure opportunities for collaboration and coordination to strengthen the preschool through K-3 continuum.*
- *Participate in the local [Read On communities](#) where applicable.*

### **Providing Services to Families Most in Need**

Each HNC must effectively identify and recruit students most in need of services and coordinate a system of communication. Each sub-grantee will create and make available written policies and procedures for identification, recruitment or screening of participants most in need of preschool services including a description of how need indicators are weighted and ranked

within the local program. Most in need indicators include factors beyond the requisite income of 150% of the federal poverty level. Other factors in recruitment may include:

- *English Language Learners*
- *identification of children with a disability*
- *children who identified as at risk based on a developmental screening.*
- *foster care*
- *single parent family composition*
- *family mobility*
- *history of abuse*
- *experiencing homelessness or family experiencing deployment.*



There may be other indicators based on the uniqueness of the HNC. Together the HNC will work in collaboration to properly identify which program may serve a child and family most appropriately. Indicators of need are used to manage wait lists rather than using a first come/first served system. Programs are encouraged to use a variety of methods and resources for recruitment of eligible families. Many more families are eligible for the PDG than can participate. Therefore, participants enrolled in the PDG programs need to be those families “most in need” of services.

A written plan for identifying the project’s most in need population must be in place prior to enrolling families in the program. Identifying which factors address a particular community’s “most in need” group provides a framework for establishing a system for intake and enrollment.

Once the “most in need” criteria have been determined by the HNC, the information will be used to make enrollment decisions as well as manage wait lists. Need related factors are identified during the intake process and used in a manner that allows projects to look beyond income eligibility. In this way, projects are consistently assuring that families most in need of services are the ones who are receiving them.

### **Student Recruitment, Enrollment, and Eligibility**

Enrollment and eligibility requirements are intended to ensure that services under this grant funding increase the number of slots for children in the HNC and have access to high quality early care and education. Sub-grantees are required to demonstrate that children served are eligible to participate by obtaining or reviewing documentation of age of child, family income, and proof of the child’s legal residency.

- *Age Requirements – The age requirements will be based on the age of the child at the time of enrollment (I.e., Infants 0-12 mos., Toddler 12-36 mos., etc.). For Infants and toddlers, it is up to the programs discretion to decide whether the child will be eligible for an infant or toddler slot. For Preschool aged children to be eligible the child needs to be 3-4 years of age before September 1st of the program year and not eligible for kindergarten. Appropriate documentation should be obtained to determine if the child meets eligibility.*



**Family Income – Families must meet all requirements listed below (this includes children with an IEP):**

- Family income must be at or below 300% of the [Federal Poverty Level](#) (FPL). Poverty is defined as family income at or below 100%; low-income is defined as income at or below 200% of FPL, and 300% is defined as middle income.
- Documentation of family income eligibility only needs to be verified and does not need to be housed onsite for PDG. **Verification forms** must be kept in a secure area and be **maintained on site for at least 2 years**.
- Open enrollment is an acceptable option for children who do not live within the HNC boundaries and otherwise meet all established criteria.

**Additional Family Income Eligibility Information:**

- Foster children who are age-eligible (foster families are considered a family of zero income)
- Preschool children who are age-eligible and qualify for [McKinney-Vento](#)
- Preschool children with IEPs: All children participating in PDG must meet the income eligibility guidelines. According to the guidance provided by the U.S. Dept. of Education, eligible children mean, “four-year-old children from families whose income is at or below 200 percent of the Federal Poverty Line.”
  - *A child on an Individualized Education Program (IEP) whose family does not meet the income eligibility may still be placed in a classroom with children funded through PDG if it is identified as the child’s least restrictive environment (LRE). The child may continue to have special education services paid for with IDEA Preschool funds rather than PDG funding, or the child may receive both funding streams (braided) if IDEA only pays for part-time and PDG will fund the other half of the day to create a full-time experience.*

Families receiving PDG services may not be charged a registration fee to attend the program. If a family requires before and/or after care outside of the PDG hours, sub-grantees may charge a fee for those extra hours.



**ALIGNMENT WITHIN A BIRTH THROUGH THIRD GRADE CONTINUUM**

Arizona’s ambitious and achievable plan is rooted in the quest to create quality preschool programs for children that support and align with the local K-3 system. This is a recognized necessity as Arizona continues the evolution of its high expectations and creates college and career ready students. Arizona supports the coordination of early learning programs among the B-5 system and acknowledges the need to link those efforts with K-3 through intentional communication brought about through the ECQUIP process.

**Early Childhood Quality Improvement Practices (ECQUIP) Process**

Effective programs recognize that building and maintaining quality requires an ongoing and iterative process. Each LEA within a high needs’ community will facilitate the ECQUIP. LEA’s and other programs in the high needs’ communities shall conduct ongoing, reflective practices that continuously assess the quality and effectiveness of their programs. The program assessment is collaborative and conducted in partnership with the district’s current ECQUIP process.

ECQUIP is a self-assessment process intended to provide Arizona programs working with young children a framework for evaluating program effectiveness and designing strategies for continuous quality improvement through a rubric and indicators. All programs administered through the Early Childhood Education section of the Arizona Department of Education are required to participate in ECQUIP. Upon completion of the rubric, an enhancement plan will be submitted by the LEA participating in the Preschool Development Grant. **The enhancement plan must be uploaded to EMAC by September 30th of each year.**

For more information related to ECQUIP and the process, visit the Early Childhood website to find the [Early Childhood Quality Improvement Practices Manual](#).

Program evaluation and improvement is most effective and long lasting when the program staff engages in a systematic process of self-assessment. Program staff are then able to identify both strengths and changes needed in order to bring about and/or maintain a high quality, comprehensive Preschool Development Grant program. Ownership of the assessment results is established when staff are actively involved in the process.

### **Transition to Kindergarten**

As part of ensuring effective collaborations with the community and providing children and families with seamless services as they move to school entry, each HNC shall create and implement a written Kindergarten Transition Plan. The transition plan shall include a clearly described partnership between the early childhood provider/school, parents, community, and the kindergarten program into which the children will enter, whether public or private. Sub-grantees within the HNC are expected to create local transition plans that include preschool assessment data as well as information about the child's approaches to learning, social and emotional development, and preferences that make that child unique and individual.

### **School Readiness**

In collaboration with ADE every sub-grantee will work within the HNC to set the expectation for School Readiness as identified in the Arizona School Readiness Framework (ASRF). The ASRF encourages collaboration between services and the numerous parts of the early childhood system. The framework reflects the purpose of identifying readiness and builds on the state's efforts to establish a system in which all children have access to quality experiences leading to school success. There are four specific goals of the ASRF:

1. *To establish a common language around school readiness*
2. *To develop a clear outline of the readiness framework*
3. *Determine the roles of standards, effective instruction, and curriculum.*
4. *Identify meaningful, well-aligned assessment of readiness to individualize instruction.*



Arizona defines school readiness as:  
*Arizona's young children will demonstrate school readiness through the Essential Domains of Language and Literacy development, Cognition and General Knowledge (including early mathematics and early scientific development), Approaches to Learning (curiosity, initiative, persistence, creativity, problem-solving and confidence), Physical Well-Being and Motor Development and Self-Regulation of attention and emotion.*

*Intentional development of skills and knowledge in these domains establishes a critical foundation for children to engage in and benefit from opportunities to learn.*

For full details please refer to [Arizona's School Readiness Framework](#).



## **A HIGHLY QUALIFIED WORKFORCE**

---

### **Staff Compensation**

Arizona works to create a specialized early childhood professional workforce; it is expected that those professionals have a current and valid Teaching Certificate through ADE and be paid a wage comparable to the kindergarten teacher with the same certification within the local school district. Improved expertise and compensatory pay in preschool classrooms will result in improved retention rates of highly effective teachers and continuity of care for young children enrolled in early care and education programs. Additionally, because early childhood instructional support staff plays such a critical role engaging children, it is expected that the preschool instructional aid's salary mirrors that of a comparable K-12 instructional support staff within in the local school district.

### **Staff Preparation and Planning Time**

In addition to equal compensation, sub-grantees must provide consistent protected and paid instructional preparation and planning time for preschool instructional staff, when they are not directly responsible for the supervision of children (this includes nap time), to:

- *Prepare lesson plans, materials, and curricular activities.*
- *Complete ongoing progress monitoring (Teaching Strategies GOLD data)*
- *Attend professional development.*
- *Attend IEP, ECQUIP, and/or QF meetings.*
- *Conduct screenings*

### **Staff Qualifications: Early Childhood Education Certificate and Endorsement**

#### **Certification**

**Overview:** The Early Childhood Education, Birth-Age 8/Grade 3 Certificate authorizes the holder to teach PreK-Grade 3 or Age 8. This certificate is optional for grades K-3 if the teacher holds an Elementary certificate. Endorsements may be added to this certificate; approved areas may not be added to this certificate. This certificate is valid for 12 years and is renewable. Requirements may be subject to change and are fully referenced in the Arizona Revised Statutes and Administrative Code R7-2-606; R7-2-607; R-2-601.01; R7-2-608 (A)(B)(E) and R7-2-621.

**Out-of-state certificate or National Board Teaching Certificate:** If you hold a valid, current, comparable out-of-state educator certificate/license or National Board Teaching Certificate that is in good standing in another state, follow this [link](#) for information and steps to apply under reciprocity.

*To qualify for this certificate applicants must meet Option A or B under Required Coursework/Training and meet the Professional and Subject Knowledge Exam requirements under Required Exams.*

### **Endorsement**

The Early Childhood Education, Birth to Age 8/Grade 3 Endorsement authorizes the holder to teach all subjects in a Birth - grade 3 or age 8 classroom. When added to an Arizona Mild/Moderate Disabilities, Moderate/Severe Disabilities, Cross-Categorical Special Education, or Specialized Special Education (ID, ED, LD, or OHI), the endorsement also authorizes the holder to teach in an early childhood special education, birth-grade 3 classroom. Requirements may be subject to change and are fully referenced in the Arizona Revised Statutes and Administrative Code R7-2-601, R-2-607, R7-2-615 (N), and R7-2-621.

**Out-of-State Certificate Holders:** If you hold a valid, comparable out-of-state educator certificate/license that is in good standing, follow this [link](#) for information and steps to apply under reciprocity.

### **Education Attainment Plan**

Administration of this grant funding falls under certain statutory requirements. Specifically, any entity receiving the PDG monies should recruit and hire lead staff whose qualifications align to [Arizona Administrative Code R7-2-613](#) which requires either a provisional or standard early childhood education certificate for those individuals teaching in early childhood education programs.

**For FY24, each lead teacher **must** possess a bachelor's degree or higher or have an Education Attainment Plan in place for obtaining this degree.**

The Education Attainment Plan must be completed in collaboration with a representative of the college/university the educator plans to attend. A signed copy must be uploaded to EMAC for each **lead teacher** who does not currently meet the minimum qualifications.

[Education Attainment Plan Document](#)



## **HIGH QUALITY PROGRAM OPERATIONS**

---

**Programs who are receiving start up and expansion funding will be informed of the deadline to be fully operational.** Fully operational is defined as having the specified number of children, based on allocation, enrolled and participating in the identified program activities.

- Be licensed by applicable state, federal or Tribal licensing agencies.
- Be enrolled and participating in one of the following quality programming initiatives: Head Start, National Accreditation, Quality First, Alignment to the PGHQ
- Submit all necessary documents and be actively registered in the [ADE Connect](#) Applications, ADE EMAC, and [Teaching Strategies GOLD](#) (TSG).
- Collaborate and coordinate efforts to recruit eligible families within the HNC.

- Establish a waiting list to ensure that all sub-grantees maintain full enrollment and will enroll new children as slots become available.
- Collaborate and coordinate with other local programs to share wait lists in the effort to enroll families in the earliest opening available within the HNC.
- Ensure a research- or evidence-based developmentally appropriate curriculum is in place.

### **Empower & GONAPSACC Programs**

Sub-grantees are encouraged to participate in the AZDHS [Empower](#) program and the [GONAP-SACC](#) program. Both programs provide training and guidance around topics such as Child nutrition, Oral Health, Infant & Child Physical Activity, Screen Time, and many other best practices for healthy children. Sub-grantees are encouraged to participate in at least 3 of the module training courses offered by Empower & GONAPSACC. For more information, please click the links below.

### **Environment**

A high-quality early education program recognizes and understands how children’s goals for learning are framed within the context of learning standards and aligns planning of activities and design of environment to stimulate children’s learning across content areas. Effective early education programs provide a wide variety of planned experiences within an intentionally designed environment that enable children to learn through interaction, exploration, manipulation and self-discovery. The environment should reflect and be supportive of the curriculum standards, and assessment.



### **Culturally and Linguistically Responsive Programming**

Language, culture, and identity are integral parts of children’s lives. High quality early education programs show acceptance of and respect for all children and families by integrating their languages and cultures into the ongoing experiences of the program, and by finding ways to reach out to and communicate with everyone. Sub-grantees will help children to understand similarities and differences, and to deal in a positive way with misconceptions based upon language, gender, culture, race, age, and ability. Linguistic and cultural needs are met by emphasizing strategies for integrating multi-cultural and anti-bias themes into all curricular areas.

### **Curriculum, Standards, and Instructional Strategies**

The following are required to ensure curricular approaches are used that meet the individual **and** developmental needs of children while providing them with intentionally designed instruction and activities:

- *Designed around children’s interests and needs.*
- *Aligned clearly and with the full content of the [Arizona Early Learning Standards](#)*
- *Which incorporate ongoing assessment to determine instructional needs*
- *Provide practice through developmentally appropriate activities.*
- *Looks for ways to apply reasoning, problem solving, and other cognitive skills.*

### **Child Screening**

Early identification of children's needs ensures that young children receive the services and supports necessary to maximize their opportunities for healthy development and learning. Screening activities are a first step in the identification process. It is imperative that a screening procedure be in place to ensure children are identified and receive the supports they need. All children participating in a PDG classroom will receive developmental, hearing, and vision screenings within the first 45 calendar days of the first day of attendance in the program. Find a sample 45 day screener [here](#).

### **INCLUSION OF CHILDREN WITH SPECIAL NEEDS**

One of the outcomes of the PDG is to increase the number of children with special needs in the Least Restrictive Environments (LRE). Therefore, sub-grantees will be required to serve no less than 2 children with identified special needs for every 20 children who may not have identified with special needs. Exemptions (for example, 1 child instead of 2) may be applied for small family childcare. ADE will support sub-grantees with meeting this ambitious goal in these specific ways:

**ADE ECE Inclusion Specialist Technical Assistance:** Participants can access Inclusion Specialists. Inclusion Specialists are child development and special education specialists who provide consultation to facilitate the inclusion of children with special needs. Supports will include onsite consultation and training to promote early screening activities (Child Find), identifying children who need follow-up assessment and facilitating classroom modifications to meet the needs of children with special needs (LRE). An example of how this specialized assistance could be provided to support children, who may have difficulty communicating or have challenging behaviors, be successful in the classroom by using visual supports or other strategies. This technical assistance may also include guidance with instructional strategies or modalities to meet the learning needs of students, and/or professional development on how to make accommodations or adaptations along a continuum to meet the needs of children with various types of disabilities and levels of severity.

Inclusion Coaching addresses the need for quality early care and education for young children with special needs ages birth to 5. Specific focus is on improving skills of childcare staff and providing training and assistance to support quality inclusive settings. Contact Inclusion via the contact information below: Maricopa County regions **602.633.8454** or email [ecei@swhd.org](mailto:ecei@swhd.org) Yuma region **928.248.5112** An example of how this specialized assistance could be provided would be to support children who may have difficulty communicating or have challenging behaviors be successful in the classroom by using visual supports or other strategies. The Inclusion Program can also train staff on developmental screenings as well as provide professional development on a variety of topics related to children who have identified or suspected developmental delays.

*Additional inclusion resources are available at: [The Early Childhood Technical Assistance \(ECTA\) Center](#). In addition, please refer to the [Early Childhood Inclusion Joint Position Statement](#) of the Division for Early Childhood (DEC) and the [National Association for the Education of Young Children \(NAEYC\)](#).*

### **Local Attendance Policy**

Children's consistent attendance leads to maximum learning opportunities; therefore, attendance policies must support consistency and ongoing participation.

- *Sub-grantees must put policies in place to determine when a child shall be excluded from participation due to non-attendance.*
- *These policies must be in writing and given to the families at the time of enrollment.*
- *Sub-grantees must document all decisions regarding children’s continued participation.*
- *Slots may not be saved or reserved for children that will temporarily be out of the program. The program should follow the existing attendance policy (items outside of medical, bereavement, other egregious factors).*
- *Based on program schedule, a child that chooses to not attend child-care needs to reapply. If the program is not open during summer, children slot will be available for them in September.*

### **Early Childhood Expulsion**

Children in early learning environments are expelled from programs at an alarming rate. Sub-grantees of the PDG should consider that they are providing a critical early grade for young children. Children should not be expelled for behavioral issues; instead, the sub-grantee should work with families and specialists in order to provide children and families connections to the services they need to successfully participate. Local sub-grantees should review local policy and only consider expulsion in terms of the conditions of [A.R.S. 15-841](#).

### **On-Going Progress Monitoring and Child Assessment**

Ongoing progress monitoring of children’s progress for the purpose of more effectively guiding interactions and making instructional and programmatic decisions is a critical part of high-quality. For Preschool slots PDG sub-grantees will:

- Register with Teaching Strategies GOLD (TSG) under the Arizona Department of Education’s license. TSG is the early childhood assessment instrument approved by the Arizona State Board of Education.
- Activate portfolios through TSG for the specified number of preschool slots funded by PDG: <https://teachingstrategies.com/> . Every child funded by PDG is required to have a portfolio in TSG.
- Obtain an Arizona Education Data Standards (AzEDS) number for each eligible child to link assessment data to the state’s longitudinal data system (SLDS). To produce AzEDS numbers, the program representative needs to be given an application on an ADE Connect account called “AzEDS Identity”. Please contact the ADE HelpDesk for assistance with this. Help Desk Quick Guides can be found here: <https://www.azed.gov/finance/helpdesk-quick-guide>
- Collect and maintain ongoing child assessment data using TSG.
- Finalize and submit TSG data by the ADE ECE checkpoint dates. Checkpoint Dates are available in TSG under the “Assess” icon then under the “[Checkpoint Dates](#)”.
- Attend Introduction to TSG and/or TSG Administrator trainings, participate in the online trainings available through TSG, become interrater reliable through TSG, and attend other early childhood assessment professional development as applicable.



- Develop a written comprehensive assessment protocol. The written comprehensive assessment protocol must include information regarding the PDG program's:

- |   |   |
|---|---|
| ✓ Use of 45-day screeners                 | ✓ Process for how data is shared with families.                 |
| ✓ Involvement in Child Find               | ✓ Process for how data is shared with the kindergarten program. |
| ✓ Role in the evaluation process          | ✓ Process for how data is used for quality improvement efforts  |
| ✓ Process for ongoing progress monitoring |   |
| ✓ Submission of TSG data                  |   |

For further guidance, please refer to [The Assessment Continuum Guide for Pre K-Grade 3 in Arizona](#).

### **Program Hours**

Sub-grantees are required to enroll children for a minimum number of hours per day, a minimum number of days per week and for a minimum number of program days per year.

Program services must be provided for a minimum of 9 or 10 months and outlined in the sub-grantee application. The service schedule should align with the local school district's K-3 calendar.



**Days/Hours Per Year** – Beginning in year two, sub-grantees should offer a scheduled minimum of 180 days or the equivalent of a minimum of 900 hours per school year for a full day program to maximize opportunities for learning.

**Days/Hours Per Week** – Children must be enrolled in a full day of service based on the following:

- A full day of service for children is defined as a minimum of 4 days a week, 6 hours per day for a total of at least 24 hours per week.
- Sub-grantees must run at least 24 hours per week over at least 4 days to meet the requirements of this grant.
- Sub-grantees may combine a PDG part-time slot with other funding sources to enhance to a full-time slot of at least 24 hours per week over at least 4 days.

### **Staff-to-Child Ratio and Class Size**

Although Code R9-5-404 of [ADHS childcare licensing rules and regulations](#) (p. 24) establishes teacher child ratios, the *Program Guidelines for High Quality Education: Birth through Kindergarten (PGHQ)* establishes a higher level of quality. Please refer to the table below for the required ratios:



Teacher to Child Ratios	
Infant (6weeks-12mos.)	1:4
Toddler (12-24 mos.)	1:5
2-Year-olds (24-36 mos.)	1:6
3-Year-olds (36-48 mos.)	1:9
4–5-Year-olds (48-60 mos.)	1:10

*The PGHQ also recognizes that these ratios may be lowered based on the needs of children with disabilities to ensure appropriate, meaningful inclusionary practices are being implemented. ADE ECE will closely monitor ratios and group sizes of sub-grantees as it is truly reflective of what is needed to provide high-quality experiences for children (PGHQ, pp. 10-11). Sub-grantees must maintain ratio and class size during PDG hours or risk losing funding.*

**Primary Home Language Other Than English (PHLOTE)**

Many children in Arizona live in households where a language other than English is spoken. The PDG HNC’s were specifically identified as communities with high levels of English Language Learners (ELL). The PDG opportunity is expected to provide an opportunity for children to access high quality interactions, academic vocabulary and robust languages experiences in English. As part of registration packet for preschool a [PHLOTE](#) form may be completed with families. This form becomes part of the child’s record and should become part of the Kindergarten Transition information. ADE is interested in the number of children who had a language other than English as identified on the state home-language survey. The PHLOTE form cannot be conducted until two weeks prior to school. Information from the PHLOTE is one piece of information to assist local program staff in meeting the individual needs of a child. Arizona’s PHLOTE can be found in Appendix I.



**COMPREHENSIVE SERVICES REQUIREMENTS**

Comprehensive services expand access to information, services and supports families need to help their young children achieve their fullest potential. To make the best choices, families need access to information that educates them about what their child is learning and doing, how to optimally support early childhood development and child health, and what resources or programs are available in their community. Families also need opportunities to connect with other families in their community. High-quality programs link families with supports in a comprehensive, collaborative, culturally and linguistically responsive manner that best meets the needs and preferences of families. Sub-grantees will leverage available resources

and involve families in the program development and implementation. The ADE Early Childhood Program Specialist (ECPS) for each community will support the collaboration effort to acquire services needed by facilitating meetings between programs within the community, coordinating outreach to service providers, collaborating with the QF coach, and encouraging community participation in the ECQUIP process.

At the local level, ECE providers in the community will collaborate and build on community services that are meeting families' needs. Sub-grantees and community partner agencies must see collaboration as a primary benefit to families and act as a bridge to unify families and children with additional support services. Comprehensive service needs and availability will vary depending on the uniqueness of the community. The following components of a continuum of comprehensive services **must** include:

- **Least Restrictive Environment:**  
Programs will be required to serve no less than 2 children with identified special needs within a classroom of 20. This will require IEP (individualized education program) teams to work together with families to intentionally find the most-appropriate least restrictive environment placement for the child within the community. The grant will support programs with meeting this ambitious goal by providing support from a QF Inclusion Specialist when needed, along with technical assistance from an ADE ECPS.
- **AZ/Child Find**  
It is imperative that a screening procedure be in place to ensure children are identified and receive the supports they need. Sub-grantees within the HNC must create local procedures to conduct routine, collaborative Child Find system. All sub-grantees must understand how to connect with service providers operating under Parts B (619) & C of the IDEA, as appropriate. In addition, local IDEA Part C and Part B (619) providers must be working together to ensure that IDEA regulations are implemented with fidelity and in accordance with state and federal laws.
  - Early learning providers should coordinate screening opportunities for all children within the community. This will certainly assist with Child Find efforts, but it will also identify children who may benefit from additional resource supports from programs such as home visitation or Early Head Start/Head Start. The ADE will intentionally be working with the community to create relationships between sub-grantees, Early Head Start/Head Start (which may also be a sub-grantee), Maternal, Infant and Early Childhood Home Visiting (MIECHV) coordinators, FTF staff and resources, and LEA leadership.
- Follow-up referrals and activities that are initiated to secure appropriate services will be documented and tracked to ensure that families receive the information and/or services necessary. Community programs will work in partnership with the LEA to ensure coordinated and seamless efforts are maintained. Hearing and vision screening performed on children must be conducted by those who have been trained to administer the screening instruments. This may require some coordination between the early learning providers in the community. If no such person is available at the community program site, the community program can collaborate with their LEA or their QF CCHC to conduct these screenings. Training in appropriate use of the child assessment is required for all staff not previously trained on the selected instrument(s).

## **FAMILY ENGAGEMENT**

The parent plays a central role as the most influential person in a child's life. Programs receiving funding under the grant must engage families in meaningful, culturally and linguistically responsive ways. Sub-grantees must intentionally help families be active partners in their children's education. Sub-grantees must implement ways to continually identify family needs and garner their feedback. Sub-grantees will create procedures to coordinate resources and services for families and children. They will also connect with appropriate local businesses, family resource centers, agencies and other local groups relating to health/mental health, domestic violence, substance abuse, adult literacy, financial asset building, food pantry, and other services. Family engagement activities shall include a focus on involving the family as key decision makers and assessors of the early learning program. Sub-grantees in receipt of this funding must create and implement plans for family involvement. A copy of the written plan shall be available on-site upon request. Activities outlined in the plan may include but are not limited to the following:



- *Home visits (initial or ongoing)*
- *Family conferences*
- *Concrete strategies for maintaining two-way communication with families.*
- *Classroom visits with options for parents to participate.*
- *Parent satisfaction surveys*
- *Child progress reports*
- *Family engagement events (scheduled with family schedule and transportation needs in mind)*

### **Community Partnerships and Resources**

Early learning providers in High Needs Communities (HNC) will work in ongoing collaboration with local partners to assess additional comprehensive services\* needed for children and their families, and local support options. The HNC should have a relationship with the local FTF Regional Partnership Councils (RPC) to obtain greater resources, share knowledge, learn together, and build consensus. The following are examples of FTF Strategies that fund comprehensive serves. (\*Access is dependent on the unique needs of the HNC):

- **Family Resource Centers.** Two counties where HNCs have been identified have FTF Family Resource Centers which serve as a community hub for connecting families with children birth to age 5 to the information, resources, and services they need to support their child's optimal health and development. The expected results of access to a Family Resource Center are improved parenting skills and social supports for families; increased knowledge of child development; and support for school readiness.
- **Food Security:** The food security strategy works to provide food and other healthy living information to meet the nutritional needs of families that lack access to sufficient, safe and nutritious food. Information is also provided on age-appropriate feeding schedules and food content standards for food boxes, food backpacks, or food vouchers. The expected result is access to sufficient, safe and nutritious food for children birth to age 5.
- **Parent Kits:** This strategy gives parents of every infant born in birthing hospitals in Arizona critical information about healthy parenting practices and how to support their baby's early learning. In the parenting kit, families receive 6 DVDs about good parenting practices, a resource guide, and a book to encourage early literacy.

- **Parent Outreach and Awareness:** This strategy works to increase families' awareness of positive parenting; child development including health, nutrition, early learning and language acquisition; and knowledge of available services and supports to support their child's overall development. The expected result is an increase in knowledge and a change in specific behaviors addressed through the information and activities provided.
- **Care Coordination/Medical Home:** This strategy embeds a care coordinator into a clinical practice to assist at-risk families with young children to navigate the complex health care and social services systems. The expected result of effective care coordination is that children receive services they need (i.e., well child visits) and families receive efficient assistance to avoid duplication of services or demands on their time, and unnecessary stress. An important component of care coordination is its association with a medical clinic that is designated as a "medical home" for the child and their family.
- **Oral Health:** The intent of this strategy is to provide best practice approaches on enhancing the oral health status of children birth through age 5. The expected results are prevention of tooth decay and reduction in the prevalence of early childhood tooth decay. Tooth decay puts children at risk for pain and infections that can lead to lifelong complications of their health and well-being. The approaches for this strategy include oral health screening for children and expectant mothers with referrals to oral health providers for follow up care as needed; fluoride varnishes for children; oral health education for families and other caregivers; and outreach to families, other caregivers including early learning and care providers, and oral health and medical professionals.

### **Sustainability**

At the local level, sub-grantees will collaborate and build on existing community services, resources, and local, state, and federal funding sources to increase access and sustain high quality early childhood services for young children and their families. Sub-grantees will work towards creating sustainable programs by coordinating existing early learning funds and using federal grant dollars and other matching funds to support their efforts.

Sustainability efforts may include the planning, coordination, and implementation of local and statewide strategies that focus on building partnerships through collaboration, engaging stakeholders and advocating for support, and finding applicable funding.

Sustainability planning resources may include:

- Arizona Association for the Education of Young Children (AzAEOYC): [AZ Toolkit: Resources to Improve Quality and Business Practices](#)
- Build Initiative: [Shared Services: A Support Strategy](#)
- ECTA Center: [Financing Strategies and Collaborative Funding](#)
- National Center for Education Statistics: SLDS Sustainability Toolkit: [Best Practices & Resources](#)



## **GRANT ADMINISTRATION AND FISCAL REQUIREMENTS**

### **Proposals**

**Allocations are dependent on available funding. Funding will be distributed based on the eligible programs who submit proposals for the upcoming fiscal year funding. Please be**

**aware that there is the possibility that not all eligible programs will be chosen for participation, nor may proposal be fully funded.**

**Award Letters**

Award letters will be sent via email. The award letter will indicate total program funding as well as the number of children that can be served with the funding.

**Allocations**

Allocations are based on the number of slots (full-time or part-time) and number of months of service 9 or 10. Total funding is limited to the formula cost per child (to be reviewed annually

Age Group	Estimated Monthly Amount per Enrolled Child	Annual Award Amount per Enrolled Child	Estimated total Slots to be Awarded (Cohort 1)
Infant (0-12 months)	\$1,833	\$22,000	54
Toddler (1-3 years)	\$1,333	\$16,000	74
Preschool (3-5 years)	\$1,000	\$12,000	298

**Reimbursement**

The PDG is a cost-reimbursement grant, a type of grant under which ADE ECE will reimburse the sub-grantee for work performed and/or costs incurred by the sub-grantee up to the total amount specified in the grant and contingent upon allowable use of funds. PDG reimbursement requests will be made using the ADE electronic GME System.

**Budget Requirements**

**LEAs will complete an application in the Grants Management system with an initial project/budget term of July 1, 2023, through June 30, 2024. However, obligated funds must be liquidated within 90 days of the project end date. Although year one of the grant is competitive for LEAs applying during cohort session 1, the following year will be continuation grants. The cohort session 2 (beginning in the Spring of 2024) will be competitive. PDG funds may carryover in year 1 to 2; however, if a subgrantee is experiencing challenges with expending its funding, ADE staff is available to provide guidance.**

If the LEA is applying for startup/expansion funding: please describe how your site plans to use the startup/expansion funding to open a new infant or toddler classroom. (Examples of allowable costs include classroom materials, furniture, infant cribs, highchairs, toys, books, staff recruitment/salaries, marketing, licensing, accreditation, staff professional development, technology utilized by staff in infant/toddler classroom. Grant funding may not be used for construction. Current classroom must be existing with appropriate license capacity for an infant or toddler classroom.)

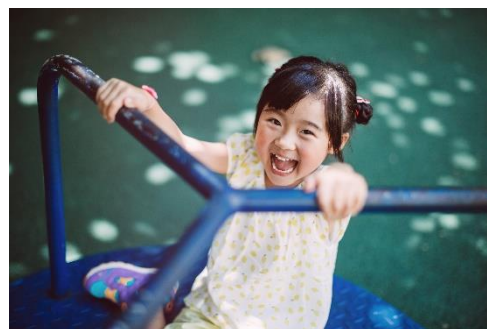
The ADE Budget Report in the PDG application includes acceptable categories of expenditures for funds. ADE staff will review and approve for budget expenditures. Sub-grantees should budget for quality. Budget line items should reflect the needs and goals of the sub-grantees.

For more information, sub-grantees should refer to the Uniform Systems of Financial Records (USFR) Chart of Accounts, Section III-E-2.1 through III-E.3.9 or the Uniform Systems of Financial Records for Charter Schools (USFRCS). Updates to the PDG customized USFR Chart of Accounts version will be made as needed and posted on the ADE Early Childhood website.

Awarded Sub-grantees should use the below codes to accurately code line items in the grant application budget. Grant applications with correct coding that meet the allowable costs for PDG will be reviewed and approved by ADE ECE while grant applications not correctly coded will be sent back to the sub-grantee for edits which may impact the ability of programs to begin dropping down reimbursement through GME for PDG costs incurred. The narrative box for each budgeted line item should be detailed and descriptive of the purpose of these allocations and illustrate how the sub-grantee will use these federal funds to support the implementation of PDG initiatives and strategies.

**Acceptable expenditure categories include:**

- 1000 Instruction
- 2100, 2200, 2600, 2700, 2900 Support Services
- 2300, 2400, 2500, 2800 Support Services – Administration
- 3000 Operation of Non-Instructional Services  
*\*2300 and 3000 are allowable under this grant; cost allocation is a must and CANNOT exceed 5% of the total award. Only a maximum of 5% of administrative costs (under function codes 2300/3000) can be allocated throughout the total grant budget.*



**6100 Salaries:**

- 1000 Instruction (activities directly impacting the students): Lead Educators, Assistant Educators, floaters, substitutes directly from the district/ program, coaches/mentors.
- 2100 – Support Services (supports the teacher, the classroom, or the program): stipends for teacher above & beyond teaching and substitute teachers in the classroom (while regular teachers attend training)
- 2300 – Administration\* - operational activities necessary to carry out the PDG B5 initiatives and strategies.
- 3000 – Non-instructional Services\* – activities that are neither administrative nor instructive but are necessary to carry out PDG program activities

6200 Employee Benefits: (Employee Related Expenditures): Indicate what % of the salary is going to be paid for Employee Related Expenditures and a description of benefits such as FICA, worker compensation, social security, etc.; optional benefits (dental, vision, health, retirement, etc.). The “Project Time (FTE)” and “Quantity” amounts must match those requested in 6100 Salaries. If benefits will be paid out of another funding source, the sub-grantee will indicate that in the narrative section of 6100 Salaries as applicable.

**6300 Purchased Professional Services:**

- 1000 Instruction: contracted teachers, consultations and substitutes (no salary)

- 2100 Support Services – training and conferences’ registration fees for teachers including any PDG-specific ADE ECE hosted conferences and meetings.
- 2300 – Support Services – training and conferences’ registration fees for teachers including any PDG-specific ADE ECE hosted conferences and meetings
- 6400 Purchased Property Services: cleaning services or rent is a covered expense in the PDG grant.
- 6500 other Purchased Services: PDG does not cover insurance unless the cost of having the PDG students exceeds their existing policy. Proof is required to justify.

**2100 – Support Services** – field trip transportation for students (up to 3 field trips per year) are allowed under this grant. Justification for field trips will be included in the narrative.

- Teachers travel to and from professional development training (travel includes hotel, meals, mileage as applicable at the allowable state per diem rate)
- Printing materials such as: PDG handbook, newsletters, TSG reports, data reports, etc.)
- Outreach to families as an evidence-based strategy to support identified initiatives related to the PDG grant.
- 2300 – Support Services Administration – Travel for Administrators to attend trainings for Administrators or any ADE-hosted conferences/summits for Administrators

**6600 Supplies:** In an effort to provide high-quality experiences during the fiscal year, all classroom materials, supplies, contracted services, technology, and furniture must be obligated before September 30 of the fiscal year. The intent is for these items and services to be available and effectively utilized during the fiscal year.

**1000 – Instruction** – any supplies that directly impact the learning experience of the children itemized out in the narrative box or with an attached Supplies Worksheet in “Related Documents” Digital resources and/or digital curriculum

**6700 Property:** ADE requires Quantity, Cost per unit, description and purpose for all capital outlay items as an uploaded Capital Outlay Worksheet in “Related Documents”.

- 6731-6733 Furniture for the PDG ECE classroom (i.e., Library center or bookshelf); costs should be cost-allocated if other funds are supporting the initiative. (6731 for items costing less than \$5,000; 6733 for items \$5,000 or more)
- 6737-6739 Technology related hardware and software with an uploaded Technology Equipment Worksheet in “Related Documents”. Tablets, computers, or cameras for teacher documentation are allowable, but must be used for PDG purposes only. (6737 for technology less than \$5,000; 6739 for technology \$5,000 or more). Currently TSG portfolios are to be coded here until further notice.

**6800 Other Expenses:**

- 1000 – Instruction – Field trip entrance fees, up to 3 field trips per year are allowed under this grant, justification for field trips must be included in the narrative box with detail regarding how the field trips enhance the children’s curricular experience specific to language and literacy.
- 3000 – Operation of Non-Instructional Services – family engagement activities, parent education workshops

6910 Indirect Costs are general or centralized expenses of overall administration of an organization that receives grant funds and does not include particular program costs. Those are for activities or services that benefit more than one project. Their precise benefits to a specific project are often difficult or impossible to trace.

### **Allowable Expenditures**

Allowable Expenditures for the PDG funds must advance a high-quality educational program for children birth to five and promote early learning achievement using developmentally appropriate practices. All costs must be allocable, reasonable, and necessary:

- *Allocable: is the cost allocable to PDG B5? Does the cost benefit the PDG program/initiative?*
- *Reasonable: Do I really need this? Is it required to meet the requirements of the grant? If I were asked to defend this purchase, would I be able to? Did I pay a fair rate?*
- *Necessary: Is the cost a type generally recognized as ordinary and necessary for the operation of the program/initiative?*

### **Allowable Costs will be aligned with requirements of the grant as indicated in the “Overview” section of this Guidance Manual:**

- Personnel employed by the program who have responsibilities that are SPECIFIC to the PDG grant.
- Contract services when the service is specific to the PDG grant.
- Supplies and materials needed to implement the PDG grant.
- Equipment needed to implement the PDG grant.
- Printing materials such as PDG assessment and data reports, etc.
- Parent training activities related to the PDG program.
- Professional Development (meals, transportation, lodging and conference registration fees)
- Tablets/computer for teacher documentation (costs must be necessary, reasonable and allocable)
- Teaching Strategies GOLD portfolios in early childhood programs
- Assessment programs that meet the grant requirements
- Family engagement activities

**Rent and cleaning of the PDG classroom is an allowable expense. Programs cannot charge 100% of rent or cleaning services to PDG; they will need to cost allocate or charge the percentage of PDG children enrolled in the program vs. non-PDG children and charge that percentage of rent and cleaning to PDG. This will include any building that houses PDG children.**

### **Disallowable Expenditures**

Disallowable costs include:

- Overtime
- Refrigerators, copiers/ printers exceeding \$1,000 in cost, food preparation equipment.
- Animals
- Attorney fees



- Custodial care; before and after school care
- Entertainment
- Religion
- Food
- Alcohol
- Fingerprint Clearance Cards
- Membership Fees
- Program wide PD not specifically directed at meeting the identified academic or developmental needs of the PDG grant.
- Out-of-state travel
- Vehicles
- Permanent fixed classrooms units
- Construction, modernization, or renovation of permanent installations (sunscreens, playground structure, ramps, bathrooms, carpets, etc.)
- Non-Instructional items, office equipment, office furniture
- Any allocations that do not benefit the PDG grant initiative or do not advance the quality of the PDG grant initiative.

### **Duplicating**

Children participating in PDG B5 may not be receiving duplicate programming through other funding available from State, Federal or Tribal sources such as: Department of Economic Security (DES) childcare subsidy, Title I, Special Education Programs, Head Start, or FTF childcare scholarships. Children eligible for these resources but who are currently on waiting lists for these programs are eligible to participate. A child receiving part-time funding from any of the above sources may be eligible to receive a part-time scholarship in unduplicated time periods to provide a full-time experience.

### **Supplanting**

Supplanting Federal law prohibits recipients of CLSD funds from supplanting— that is, replacing state, local, or agency funds with federal funds. This means that existing funds for a project and its activities may not be displaced by federal funds and reallocated for other organizational expenses. For example, if a sub-grantee is already paying for a director salary with other school funds, it cannot use CLSD funds to pay Director Salary and use the “savings” for other purposes. Since the Director was already paid with local sources, it is not legitimate to transfer that position's salary under the funding of the new grant.

### **Administrative Costs, Indirect Cost Rates and Direct Costs**

Administrative costs are general or centralized expenses of overall administration of an organization that receives grant funds and does not include particular program costs. Those are for activities or services that benefit more than one project. Their precise benefits to a specific project are often difficult or impossible to trace.

- **Indirect Costs:** are general or centralized expenses of overall administration of an organization that receives grant funds and does not include particular program costs. Those are for activities or services that benefit more than one project. Their precise benefits to a specific project are often difficult or impossible to trace.

- **Direct Costs:** are those for activities or services that benefit specific projects, e.g., salaries for teachers, aids, paraprofessionals and materials required for a particular project. Because these activities are easily traced to projects, their costs are usually charged to projects on an item-by-item basis.
- Sub-grantees **must** choose option A, B or option C and provide proper justification for expenses included:
- **Option A - Federally Approved Indirect Cost Rate:** If your organization has an approved indirect cost rate agreement in place, you must use that rate for this grant.
- **Option B - If the organization has not have an Indirect Cost rate agreement:** The Sub-grantee may charge the 10% provisional rate for up to 90 days and must submit an indirect cost proposal to the Arizona Department of Education within 90 days after the grant award is issued and, if it does so, may continue charging the 10 percent provisional rate until the cognizant agency has provided the Sub-grantee with a negotiated indirect cost rate; and if after the 90-day period, the Sub-grantee has not submitted an indirect cost proposal to the Arizona Department of Education, the Sub-grantee may not charge its grant for indirect costs until it has negotiated an indirect cost rate agreement with the Arizona Department of Education; or
- **Option C - Direct Charge:** With proper justification, Sub-grantee may include an allocation for administrative costs up to 5% of the total funds requested. Administrative costs may include cost of auditing, accounting, financial, payroll, salaries and benefits of the program director and other administrative staff.

***Federal law prohibits recipients of Preschool Development Grant funds from supplanting— that is, replacing state, local, or agency funds with federal funds. This means that existing funds for a project and its activities may not be displaced by federal funds and reallocated for other organizational expenses.***

*For example, if you are already paying for a director salary with other school funds, you cannot use the Preschool Development Grant funds to pay her/his salary and use the “savings” for other purposes. Since the Director was already paid with local sources, it is not legitimate to transfer that position's salary under the funding of the new grant.*

### **Guidelines for Preparing Indirect Cost Proposals**

Indirect Cost Rate Proposals require supporting schedules and documentation. The following steps are suggested in preparing an indirect cost rate proposal. In beginning the process of calculating an indirect cost rate, the program should consider and review the following:

- *Organizational structure*
- *Level of federal funding*
- *Requirements of OMB Circular A-87 and EDGAR*
- *Reports generated from the accounting system.*
- *Cost policies related to direct and indirect cost charging.*
- *Availability of data on square footage, number of transactions, number of employees, etc.*
- *Additional effort and cost required to achieve a certain degree of accuracy.*

- *Need for a restricted indirect cost rate (see Section IV)*

### **Determination of Indirect Cost Rates:**

The two basic methods for calculating indirect cost rates include the Simplified and the Multiple Allocation Base Methods.

OMB Circular A-87 stresses the need for federal agencies to work with state agencies on; (1) streamlining accounting processes; (2) reducing the burden of maintaining systems for charging administrative costs to federal programs; and (3) simplifying the preparation and approval of cost allocation plans. Organizations are encouraged to use the simplified method whenever possible and to avoid exceeding the complexity of the multiple allocation base method.

In order to prepare an indirect cost rate proposal, total costs, regardless of funding source, must be classified into one of the following categories: direct, indirect, excluded or unallowable. The following detailed steps will guide preparation of the proposal.

### **Out of Compliance- Fiscal**

Programs failing to submit required fiscal documentation in Grants Management Enterprise (GME) are at risk of being put on a **Global Hold**. **Any PDG site is subject to a fiscal audit at any time.**

### **Time and Effort**

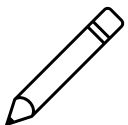
Time and Effort documentation must be maintained for all employees whose salaries are:

- Paid in whole or in part with Feder funds per 2 CFR 200.430(i)(1).
- Used to meet a match/cost share requirement 2 CFR 200.430(i)(4).

**Please Note:** Per 2 CFR 200.430((i)(1)(viii), an LEA's Time and Effort documentation cannot be based on budget estimates (i.e., estimates determined before the services are performed). All Time and Effort records must be based on actual time spent and effort expended by the grant-funded employee and reported and/or certified after-the [1] fact. The only exception to this Federal reporting requirement is an allowance the Federal Department of Education has made to accommodate an employee whose schedule is fixed day to day or week to week. Time distribution records (time and effort) is required for stipends, supplemental contracts, and/or extra hours.

[Complete Guide to Time and Effort Reporting](#)

**For frequently asked questions, documentation, and fiscal processes associated with the Grants Management Enterprise system, please visit the interactive [Grants Management Resource Library](#).**



## **PROGRAM EVALUATION**

---

### **Quality First**

The sub-grantees in the high needs' communities will participate in the Quality First program. [Quality First](#) – a signature program of First Things First – partners with regulated early childhood providers to make quality improvements that research proves help children birth to 5 thrive, such as education for teachers to expand their expertise in working with young children. It also supports parents with information about what to look for in quality early childhood programs that goes beyond health and safety to include a nurturing environment that supports their child's learning. Quality childcare and preschool settings build on basic health and safety to include:

- *teachers and caregivers who know how to work with infants, toddlers and preschoolers.*
- *positive, nurturing relationships that give young kids the individual attention they need.*
- *learning environments that encourage creativity and imaginative play.*
- *hands-on activities that stimulate and encourage positive brain connections in children; and,*
- *caregivers who provide regular feedback to families on the development of their child.*

Participation in Quality First starts with an initial program assessment which will provide a clear picture of each program – what's great about it and the opportunities to do even better. A highly trained Quality First assessor will visit the program to observe classrooms and interview teachers. The assessor will then rate various aspects of the program – the environment, curriculum, teacher-child interactions and more – using valid and reliable assessment tools. These scores will be used to determine an initial Quality First Star Rating and the supports and benefits a program is eligible to receive. (This initial rating will not be made public.)

### **ADE ECE Quality and Compliance Monitoring**

Monitoring of program sites is a proactive approach to ensuring PDG sub-grantees are following guidelines and providing high quality and comprehensive educational programs that promote improved student achievement. A formal monitoring visit (compliance validation) will occur annually. The compliance validation will be pre-scheduled by ADE ECE with the sub-grantee. The monitoring of the sub-grantee will include:



- Classroom visitations
- Interviews with program teachers, administrators, and/or families
- Fiscal review

- Review of implementation of standard, curriculum, and assessment records such as portfolios/work samples and teacher anecdotal observation notes (ongoing progress monitoring data)

- Review of program compliance information for PGHQ and PDG deliverables as identified by PDG
- Review of program documentation and requirements such as ECQUIP meeting results, documentation of family income, licensure, accreditation information (if applicable), and collaboration documentation
- Review of child find system, community partnerships, family engagement strategies, kindergarten transitions and others as identified in the PGHQ
- Review of program documentation and scope of work documents related to the written wait list policy, selection criteria, suspension/expulsion policy, etc. The formal monitoring will conclude with ADE staff meeting with sub-grantee administrator(s) or staff to discuss observations and to provide T/A as needed. The monitoring form and other monitoring resources can be found within the EMAC system.

### **Program Reporting**

Sub-grantees will maintain detailed evidence of all PDG programmatic and fiscal efforts which may be reviewed by ADE ECE at any point during or after the funding period. This includes, but is not limited to, any demographic, assessment-related, and implementation documents and other PDG deliverables.

Both to engage in self-evaluation to improve the quality of the program's preschool services and to support the ADE ECE local, state, and federal funding reporting, sub-grantees will submit scope of work (SOW) documents related to PDG implementation through the EMAC system.

### **ADE ECQUIP Monitoring**

Monitoring of program sites is a proactive approach to ensuring the Preschool Development Grant sub-grantees are following guidelines and providing high quality and comprehensive educational programs that promote improved student achievement.

In subsequent years, sub-grantees will be placed into ADE's monitoring cycle of every six years or more frequently based on need.

The compliance validation will be pre-scheduled by ADE Early Childhood Education staff with program site to be visited. The on-site monitoring of the preschool programs will include:

- Classroom visitations
- Interviews with program teachers and administrators
- Fiscal
- Review of implementation of standard, curriculum, and assessment records such as portfolios/work samples and teacher anecdotal observation notes (On-going progress monitoring data)
- Review of program compliance information for Program Guidelines for High Quality and PDG grant as identified by the PDG.
- Review of program documentation and requirements such as ECQUIP meeting results, documentation of family income, DHS licensure, accreditation information (if applicable), and collaboration documentation
- Review of child find system, community partnerships, family engagement strategies, kindergarten transitions and others as identified in the PGHQ.

The ECQUIP formal monitoring will conclude with ADE staff meeting with the sub-grantee administrator(s) (with representation from all sub-grantees in the HNC) or staff to discuss observations and to provide technical assistance if needed.

### **Out of Compliance- Action Plan**

Failure to comply with the deadlines will result in your Program going on a Programmatic Hold. A Programmatic Hold will mean a financial hold on your PDG funds. The financial hold will continue until your program is fully compliant. Full compliance is being defined as the completion of ALL documentation, by end date stated, within the EMAC system.

The following deadlines will apply during your program's Programmatic Hold:

1. From the date of the original hold, your program has 30 calendar days to be fully compliant in order to receive back-paid funds.
2. Your program will have 14 additional calendar days to be fully compliant. If still out of compliance, the hold will continue, and removal of the monthly funds will occur (no back-pay).
3. Your program will have 14 additional calendar days to be fully compliant. If still out of compliance, your program will be withdrawn from the grant.



### **Professional Development**

---

The Arizona Department of Education Early Childhood Education (ECE) team offers a comprehensive list of synchronous (live) and asynchronous (on-demand) professional learning opportunities. All ADE-ECE professional learning opportunities meet requirements for continuing education units (CEUs).

For more information and to access a comprehensive list of currently available trainings please visit the [ECE Professional Learning website](#) and use the links to register.



### **EARLY CHILDHOOD PROGRAM SPECIALIST**

---

An Early Childhood Program Specialist (ECPS) working within the HNC will be assigned to work with the sub-grantees and to support quality improvement efforts and facilitate collaborative relationships. The ECPS will work in conjunction with Quality First coaches for those programs already enrolled in FTF Quality First to ensure continuity of services.

#### **Primary Responsibilities**

Primary Responsibilities of the ECPS include but are not limited to:

- Assisting in the development of an infrastructure in order to ensure sustainability of the collaborative relationship of ECE within the high needs community to improve outcomes for children.
- Providing technical assistance, training, and coaching to participants with the purpose of supporting the implementation of strategies and approaches that are developmentally appropriate.

- Developing and working with existing implementation plans with participants to achieve improved levels of quality and improved outcomes for young children.
- Attending meetings, conferences, workshops in the community to continually seek ways to bridge theory and practice for project participants.
- Collecting, developing, and providing informational and educational materials to project participants
- Conducting applicable training and professional development sponsored by ADE.
- Visiting the school/community partner sites and conferring with the principal/director on a prescribed basis
- Assisting the local school district and community partners within a high needs community in writing and implementing a robust kindergarten transition plan
- Assisting the preschool programs within the high needs community to see how they align with the district literacy plan.

### **TECHNICAL ASSISTANCE (T/A)**

ADE ECE is available throughout the year to provide T/A regarding PDG. Please contact ADE ECE at any time to address concerns or questions. The sub-grantee's ADE ECPS, assigned to local regions and PDG HNCs around the state, can provide support, T/A, and PD as necessary to support PDG efforts. Please visit our website for [specific contacts](#) or [additional early childhood resources](#).