



A SYSTEM OF DESIGNATION RENEWAL OF HEAD START GRANTEES

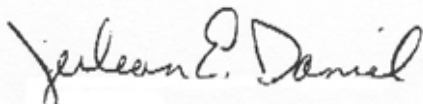
Report of the Secretary's Advisory Committee
on Re-designation of Head Start Grantees

December 2008

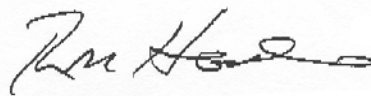
The Honorable Michael O. Leavitt
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC

Dear Mr. Secretary:

The undersigned members of the Advisory Committee on Redesignation of Head Start Grantees respectfully hereby submit this report for your consideration. It has been our great honor to have played a role in ensuring that Head Start children and families reap the full benefits of this most valuable comprehensive child development program.



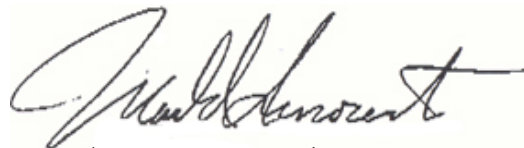
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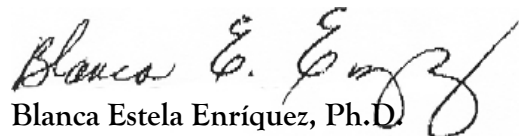
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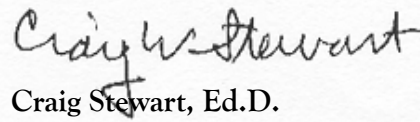
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Introduction

Head Start grantees have, since the program's inception in 1965, been given grant awards that had no end date; grants were funded for indefinite project periods. However, the Improving Head Start for School Readiness Act of 2007 (the Act), establishes that Head Start grantees, for the first time, will be awarded grants for only a five-year period and further states that only grantees delivering high-quality services will be given another five-year grant non-competitively.

The Act requires the Secretary to develop a designation renewal system to determine if a Head Start agency is delivering a high-quality and comprehensive Head Start program that meets the educational, health, nutritional, and social needs of the children and families it serves, and meets program and financial management requirements and standards. Grantees that are judged not to be delivering high-quality services will not be given another five-year grant non-competitively but, rather, will have to compete for the opportunity to be awarded another five-year grant.

The Act requires the determination of whether a grantee is providing high-quality services to be based on:

- Annual budget and fiscal management data;
- Program reviews conducted under section 641A(c);
- Annual audits required under section 647;
- Reliable, research-based observational assessments of classroom quality, including teacher-child interactions linked to positive child outcomes, as required under section 641(c)(2)(F); and
- Program Information Reports.

The Act also requires the Secretary to convene an expert panel to make recommendations on the development of a transparent, reliable, and valid system for designation renewal. The panel was to be comprised of individuals with demonstrated competency, as evidenced by training, expertise, and experience, in the following areas:

- Early childhood program accreditation;
- Research in early childhood development;
- Governance and finance of non-profit organizations;
- Delivery of services to populations of children with special needs and their families; and
- Assessment and evaluation of programs serving young children.

Additional panel members included:

- An employee of the Office of Head Start; and
- An Executive Director of a Head Start agency.

The designation renewal system is not intended to require that the vast majority of Head Start grants compete for a subsequent grant. In passing the Act, Congress stated in the accompanying Conference Report that, “This system [of designation renewal] is meant to facilitate the designation of programs that are in good standing and are providing a high-quality comprehensive early childhood program, for a period of 5 years. The Conferees believe that other programs not providing a high-quality comprehensive early childhood program should not receive a designation renewal without first entering into an open competition. Furthermore, the Conferees believe that the policy to limit open competition to under-performing Head Start agencies will improve overall program performance.” The Conference Report goes on to say that, “The Conferees strongly believe the majority of Head Start programs are delivering high-quality services, and therefore do not intend for this new designation system to result in competition for designation for the majority of Head Start programs. Furthermore, competing high-quality programs could undermine overall program quality.”

The designation renewal system will not supplant the current system of program monitoring and the suspension, termination, and replacement of grantees that are failing to perform. Rather, the designation renewal system is intended to ensure that each Head Start grantee is successfully delivering a high-quality and comprehensive program and is meeting its management and financial requirements.

The Secretary’s Advisory Committee convened for three two-day meetings in March, June, and October 2008 to review and discuss all relevant material and to develop a set of recommendations. This report presents the Committee’s recommendations. It is our hope that these recommendations will support the implementation of a designation renewal system that meets the goals of transparency, validity, and reliability, and will reflect the ultimate goal of providing high-quality Head Start services to children and their families.

Recommendations

Recommendations on Principles of the Designation Renewal System

- Develop a designation renewal system that is—
 - Reliable and valid in terms of the criteria and indicators used, and is transparent to families, programs and the public;
 - Simple and easily understood by all stakeholders; and
 - Integrated into ongoing systems for program improvement in such a way as to add value.
- Use multiple sources of valid and reliable data in making designation renewal determinations, including:
 - Annual budget and fiscal management data;
 - Program monitoring reviews;
 - Annual audits;
 - Classroom quality observation measures; and
 - Program Information Reports.
- Base the system on Automatic Indicators of such a serious nature that a single occurrence would automatically require a grantee to compete for renewal, and Key Quality Indicators that would require competition when a pattern of poor performance on multiple indicators is present. The Indicators we recommend are defined below.
- Establish a clear threshold to determine which grantees must compete for renewal of the Head Start grant.
- Apply the designation renewal system uniformly across all grantees. Implementation of the designation renewal system must—
 - Be consistent with the statutory provisions for designation renewal of Tribal grantees;
 - Take into consideration unique characteristics of migrant and seasonal programs; and
 - Take into consideration any unique characteristics of Early Head Start programs.

Recommendations on Determination Criteria

- Automatic Indicators, whose occurrence would automatically require a grantee to compete for renewal, should include: (1) suspension; (2) bankruptcy or debarment; (3) revocation by a state or local government of a license to operate a child care program; and (4) a significantly higher number of deficiencies in OHS monitoring than the average grantee.
- Key Quality Indicators for program performance in the area of Program Management should include: (1) governance; (2) internal controls; (3) eligibility, recruitment, selection, enrollment,

attendance (ERSEA); (4) self-assessment and ongoing monitoring; (5) human resources; and (6) safety.

- Key Quality Indicators for program performance in the area of Education should include: (1) curriculum; (2) assessment; and (3) structured learning environment.
- When OHS is satisfied that it has a valid, reliable, and practical classroom observation tool, and effective measures of child outcomes and of individualization, then such tools and measures should be incorporated into the designation renewal system.
 - In the event that the Head Start Program Performance Standards are revised, we would expect OHS to have appropriate tools to assess progress in school readiness upon publication of those final regulations.
 - When OHS is satisfied that it has valid, reliable, and practical tools for Early Head Start to assess teacher-child interaction and home visiting, these should be incorporated into the designation renewal system.
- Key Quality Indicators for program performance in the area of Comprehensive Services should include: (1) immunization; (2) screening and follow-up; (3) 10% disabilities with Individualized Education Plan/Individualized Family Service Plan, and tracking; and (4) a developmental indicator on parent involvement.
 - When OHS is satisfied that it has a valid, reliable, and practical measure of parent involvement, these measures should be incorporated into the designation renewal system.
 - In the event that there are revised Program Performance Standards, we would expect OHS to have appropriate tools to assess parent involvement.
- Key Quality Indicators for program performance in the area of Financial Management should include: (1) an audit finding of going concern; and (2) a designation of fiscal high risk.
- The Secretary should re-evaluate the renewal system criteria after each cycle.

Recommendations on Implementation

- Ensure that the system is applied equitably across all grantees and that the designation renewal determination occurs in the fourth year of the grant. Further ensure that the data used in assessing Key Quality Indicators is as current as possible (no more than one year old except for special cause).
- There should be a valid threshold to determine which grantees must compete for designation renewal. The validity of the threshold should be established by relating it to other

independent measures that discriminate between programs providing high-quality services and programs that are not.

- The Committee believes that the large majority of grantees would not be required to compete for another five-year grant under such a system. Only those grantees that were the lowest performing grantees relevant to the criteria would be required to compete.
- The Committee expects that no more than approximately 15-20% of all grantees should be expected to compete for another five-year grant. The exact percentage must be supported by the most current data.
- The Committee notes that this percentage should be expected to decrease over time as program quality improves.
- Implement the system in such a way that it is sensitive to funding and monitoring cycles, the burden on grantees and Federal oversight, and allows for an appropriate phase-in of the system.
- Ensure that the competitive process is implemented in a manner that gives no advantage to any particular type of applicant and allows applicants to apply for part or all of the program or service area being competed.
- When a Head Start program is competed and a new grantee is selected, OHS should ensure a smooth transition with minimal disruption in services to children and families by transitioning to a new grantee during the summer—even if it means that the duration of the original grant is somewhat more or less than five years.

Discussion of Recommendations

This discussion elaborates on and provides the context for the recommendations on the principles to underlie the designation renewal system, the criteria to be used to make the determination of whether or not a grantee is providing high-quality comprehensive services that meet program standards, and to guide the implementation of such a system.

A significant part of our deliberations included careful consideration of the comments submitted to the Advisory Committee. We received public comments from 18 individuals and organizations. We appreciate the thought that was given to the comments by grantees and interest groups. We considered all the comments and incorporated some of the ideas into our recommendations. All of the comments are attached to this report.

Principles of the System

The designation renewal system must be reliable, valid, and transparent. It must be simple and easily understandable. We believe the simplicity of the system is paramount. Grantees and the public must be able to understand the system for judging Head Start programs.

We believe it is also important that designation renewal occur as one component of a broader, coordinated approach to ongoing program improvement. Risk Management, which is a comprehensive system for evaluating and reducing or eliminating risk; program monitoring by the Office of Head Start; and Head Start funded technical assistance are all components of this ongoing, coordinated approach to assist grantees with program improvement. The Risk Management approach as described to the Committee by both the Office of Head Start and a Head Start grantee is an effective model for working in coordination with programs on their continued improvement. Designation renewal should build upon this approach and be focused on those grantees that do not improve sufficiently, despite the ongoing systems of technical assistance already in place. However, it is important that OHS convey to grantees that Risk Management does not have the same purpose as the monitoring reviews and that it is not an element of consideration for competition.

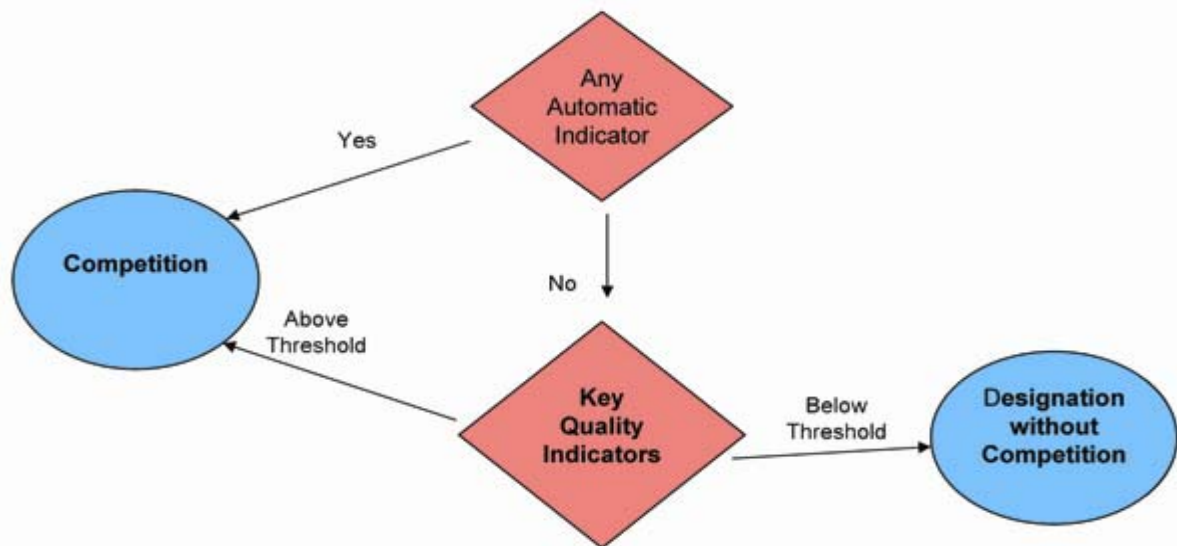
The designation renewal system must be applied uniformly across all grantees. While we recommend applying it uniformly, the system must be consistent with the statutory provisions for designation renewal of Tribal grantees. It should also take into consideration any unique characteristics of migrant and seasonal programs, such as their shorter operating time frame and services to children from birth to age five. Whether there should be special features in the designation renewal system for Early Head Start programs should also be considered, particularly with respect to assessment tools and measures.

The system must use multiple sources of valid and reliable data in making designation renewal determinations, including: (1) annual budget and fiscal management data; (2) program monitoring reviews; (3) annual audits; (4) classroom quality observation measures; and

(5) Program Information Reports (PIR). Since these data are currently collected, the Committee notes that their use for designation renewal should not impose additional costs on grantees or taxpayers.

The Committee recognizes and believes that there are issues with the current quality of some of these data sources and acknowledges that the system will only be as strong as the data on which it relies. Specifically, the PIR currently has significant limitations since it is self-reported and has documented reliability problems. However, the strengths of the PIR—its focus on many of the important service areas integral to Head Start and its annual collection—make it important to include, but it should never be the sole basis for the determination that a grantee needs to compete for a subsequent grant. The Committee encourages the Office of Head Start to continue improving the accuracy of the PIR as well as monitoring and other data systems.

The system should be based on Automatic Indicators, whose occurrence would automatically require a grantee to compete for renewal, and Key Quality Indicators, where a pattern of poor performance in multiple areas would require a grantee to compete for renewal of their Head Start grant. Based on these Indicators, there should be a clear threshold to determine which grantees must compete for renewal of the Head Start grant. The flow chart below illustrates the design of the system we propose.



We considered whether there should be a review of grantees which fall just above or below the threshold and determined that there should not be any such review. The threshold should be clearly established. It is important to note that the competition itself will determine whether a grantee receives a renewal grant.

Determination Criteria

We make many recommendations on elements that should be included in the determination of whether grantees are providing high-quality comprehensive services. We sought to identify key elements that could serve as valid and reliable indicators of overall program quality. We focused not only on elements currently available to OHS, but also on indicators not currently in OHS systems which should be included, as well as areas where there is need for development. Much of our discussion focuses on indicators in need of inclusion and development.

The designation renewal system should include Automatic Indicators that are, by their nature, so serious a reflection on the quality of services that they, in and of themselves, would require a grantee to compete for another five-year grant. The Committee recommends that the following events automatically require grantees to compete: suspension, bankruptcy or debarment, revocation of a license to operate a child care program, or a high number of deficiencies.

- Suspension: The Committee believes that a suspension of a grantee award at any point in a five-year period should require competition for a subsequent grant award. We acknowledge that occasions resulting in suspension can be corrected, but we believe that their occurrence is of such a serious nature that the program should receive closer scrutiny through the competitive process.
- Bankruptcy or debarment: We agreed that a grantee that declares bankruptcy or is debarred from receiving other Federal funds at any point in its five-year grant period should be required to compete. We concluded that both incidences are indicative of instability in the program. We stipulate that OHS will need to develop systems to track both types of program failures.
- Revocation of a license: Although licensing of child care programs is done at the State-level and Head Start programs are not treated uniformly by States, the Committee nevertheless believes that grantees whose license to operate a child care program is revoked at any point in its five-year grant period should be required to compete. The Committee determined that the revocation of a license reflects a Head Start program's failure to meet the community's standards and therefore is grounds to require that program to compete.
- High number of deficiencies: The Committee believes that grantees should be automatically required to compete if they are found to have deficiencies far more than the average grantee. The Committee recommends defining this as having a number of deficiencies that is two standard deviations from the mean. The use of standard deviations to determine the specific number of deficiencies that would require a grantee to compete is appropriate because it ensures that grantees required to compete have an exceptionally high number of problems. The Committee agreed that a grantee would be required to compete even if all the deficiencies are in one area because their occurrence is a marker of poor performance that warrants competition.

The system should also include Key Quality Indicators, which are markers of program performance that, when looked at collectively, are predictive of a program’s inability to provide high-quality services. The Key Quality Indicators should be inclusive of the areas outlined in the Act: program management; education; comprehensive services, including meeting health, nutritional and social needs; and fiscal management. The recommended Key Quality Indicators are outlined in the following chart. The Indicators in parentheses are those that we recommend for further development.

KEY QUALITY INDICATORS			
Program Management	Education	Comprehensive Services	Financial Management
Governance	Curriculum	Immunization	Audit Going Concern
Internal Controls	Assessment	Screening and Follow-Up	High Risk Designation
Self Assessment & Ongoing Monitoring	Structured Learning Environment	Disabilities IEP/IFSP and Tracking	
Human Resources	(Child Outcomes)	(Parent Involvement)	
Safety	(CLASS)		
ERSEA	(Individualization)		

Program Management: Particular Indicators in this area should include: (1) governance; (2) internal controls; (3) self-assessment and ongoing monitoring; (4) human resources; (5) safety; and (6) eligibility, recruitment, selection, enrollment, attendance (ERSEA).

We believe that full participation of the governing body and Policy Council is critical to the functioning of the organization, including reviewing and approving budgets, recruitment plans, and program policies. In Human Resources we highlight the importance of training classroom staff. We considered substantiated cases of child abuse within a program as an Automatic Indicator but instead recommend that it be considered within the context of what the program does to protect the safety of children in their programs as part of their program management instead of as a single event. With respect to ERSEA, we note that attendance has special importance for successful interventions with individual children and their families because program quality is affected by continuity of learning experiences.

Education: Particular elements in this area should include: (1) curriculum; (2) assessment; and (3) structured learning environment, which are currently measured through the monitoring process. We propose three critical areas in which we believe more development is critical.

Child outcomes are central to Head Start’s purpose and should be considered in determining quality of programs. The goal of the Head Start program, as outlined in the Act, is to prepare low-income children for school by enhancing their cognitive, social, and emotional development and to support their progress across the full range of outcomes. We discussed the eight domains of the Child Outcomes Framework—language development, literacy, mathematics, science, creative arts, social and emotional development, approaches to learning, and physical health and development—and expressed our concern over the issues of uneven assessment and differing measures for the different domains.

We agree that progress in enhancing children’s school readiness on these outcomes is critical and to that end OHS should be working toward helping programs use valid, reliable, and practical measures of child outcomes. These measures should be informed by science, should measure growth and progress over time, and ultimately should be used to inform the designation renewal system. We also discussed how important it is that tools to measure child outcomes be administered correctly and for appropriate purposes, and that they yield valid and reliable data that is useful to programs as well as to OHS. The use of child outcome data should always be contextualized, and the data never used in isolation. The National Academy of Science report on developmental outcomes and assessment for young children details the cautions expressed in our discussions concerning the high stakes environment of assessment and public policy accountability. In the event that the Head Start Program Performance Standards are revised, we would expect for OHS to be able to advise programs on appropriate assessment of young children’s school readiness.

As required by the Act, the designation renewal system should use data collected with a valid and reliable observational instrument that assesses classroom quality, including teacher-child interactions. The Committee believes that interactions are central to classroom quality and child outcomes and should eventually be incorporated into the system for designation renewal. We appreciate the measured approach OHS is taking to implementing such a tool with work on the Classroom Assessment Scoring System (CLASS), beginning with grantee training on using the CLASS for professional development and a pilot to explore its use in monitoring.

We also highlight the critical importance of individualizing in Head Start programs. Individualizing ensures that activities are tailored and that the curriculum is adapted to support each child’s learning style. While this is critical, we do not believe that individualization is well or easily measured in Head Start or other contexts. We encourage the early childhood field in general and Head Start in particular to explore ways to measure how well programs are individualizing to meet the needs of children and families.

The Committee recognizes particular challenges in some of the indicators for Early Head Start and agreed that it is important for OHS to make progress in considering issues that affect the birth-to-three population. We understand that a toddler version of the CLASS instrument is being developed, and the Committee encourages OHS to explore this instrument when it is available, as well as to develop assessment tools related to home visiting and classroom quality.

We believe OHS should incorporate any of these developmental measures only when they are satisfied that these measures are valid, reliable, and practical.

Comprehensive Services: Particular elements in this area should include: (1) immunization; (2) screening and follow-up; (3) services to children with disabilities; and (4) parent involvement. We appreciate Head Start's long-standing commitment to meeting the comprehensive needs of young children and their families and believe this should be represented in Key Quality Indicators. We believe important indicators are immunization rates as well as the range of health, dental, behavioral, developmental and nutrition screening and follow-ups. We also highlight the importance of serving children with disabilities in Head Start.

We recognize the central importance of engaging parents. When OHS is satisfied that it has a valid, reliable, and practical measure of parent involvement, this measure should be incorporated into the designation renewal system. The Committee would expect OHS to have appropriate tools to assess parent involvement upon publication of the final revised Program Performance Standards.

Financial Management: Particular elements in this area should include: (1) an audit report that indicates whether there is a going concern with the grantee; and (2) whether the grantee has been placed in a high risk status. The Committee agrees that these are important elements and that OHS should develop systems that track whether a grantee has an audit finding or has been debarred from receiving other Federal funds.

Our deliberations included discussion of prospective ranges and cut-off points for these Key Quality Indicators and an examination of models based on existing data. These deliberations informed our recommendations with respect to the Indicators and the following parameters for a threshold.

The Secretary should establish a threshold for Key Quality Indicators to determine whether a grantee must compete for renewal of the Head Start grant. This threshold should have external validity in that it makes a meaningful distinction between programs providing high-quality services and programs that are not. The threshold should be established to distinguish those grantees with relative poor performance in multiple areas of Key Quality Indicators.

The Committee expects that no more than approximately 15-20% of all grantees should be expected to compete for another five-year grant. The exact percentage must be supported by the most current data. The Committee notes that this percentage should be expected to decrease over time as program quality improves.

Building on the Act's requirement that the Secretary periodically evaluate whether the criteria of the system are being applied in a manner that is transparent, reliable, and valid, we agreed that the Secretary should re-evaluate the designation renewal system criteria after each cycle. Re-evaluating the criteria after each cycle allows the Secretary to ensure that the selected Key Quality Indicators and Automatic Indicators continue to be the best gauge of program quality and to incorporate other tools to measure program quality as they become available. Re-evaluating would provide an

opportunity to insert state-of-the-art measures and indicators of import to: (1) child outcomes; (2) classroom quality; and (3) parent involvement as they become available and are ready for program wide use. It is critical that OHS continue to press for adequate quality indicators in these critical areas related to Head Start's primary goal of school readiness.

Implementation

The Committee recommends that the designation renewal system, including its criteria, data sources, and thresholds, be applied equitably for all grantees. For example, evaluation of grantees should be based on the same number of monitoring reviews and Program Information Reports for all grantees, and determinations should be made during the same year of the grant cycle for all grantees.

The Secretary should further ensure that the data used in assessing Key Quality Indicators is as current as possible (no more than one year old except for special cause). Using up-to-date data will ensure that designation renewal determinations are based on data that reflects the current, and not past, performance of grantees. We considered the advantages to using multiple years of data to examine patterns of performance over time but decided that the simplicity gained through a single point in time system outweighed the benefits of basing decisions on multiple years of data.

HHS should implement the designation renewal system in such a way that it is sensitive to funding and monitoring cycles and the burden on grantees and Federal oversight; further, the implementation should allow for an appropriate phase-in of the system. The Committee recognizes that implementing the designation renewal system is an intensive undertaking for the Office of Head Start. To make implementation possible, the Committee recommends a staggered approach rather than making determinations about awards and designation renewals in the same year for all grantees. For the initial review, while improvements are made to the data for Key Quality Indicators, the modification of current indefinite grants to five-year grants could be based only on Automatic Indicators.

To ensure a smooth transition with minimal disruption in services to children and families, the Committee recommends that transition to a new grantee should occur during the first summer following the determination not to re-fund the current grantee—even if that means that the duration of the original grant is somewhat more or less than five years.

The Committee recommends that, in order to implement an open and competitive process, requests for proposals from applicants must be articulated in a neutral way that does not advantage those applicants that are familiar with the Head Start Program Performance Standards or are conversant about Head Start. Requests for proposals must also be sufficiently broad so as to allow, when appropriate, neighboring communities to apply to provide Head Start services in another service area.

Finally, the Committee recommends that applicants be permitted to apply for part or all of a program or service area. For example, an applicant interested in providing Early Head Start services only could apply for that program option, even if the current grantee is providing both Head Start and Early Head Start services. An applicant could also, for example, apply to provide Head Start services to only some of the counties served by the current grantee if the grant includes more than one county.

Conclusion

The Committee appreciates the opportunity to serve the Secretary. We recognize that implementing the designation renewal system is a complex endeavor, and we hope the recommendations herein provide guiding principles for the establishment of a transparent, valid, and reliable system. We look forward to a system that fulfills its statutory intent and reflects the important goal of providing high-quality Head Start services to children and their families.

The following 18 comments were received by the Secretary's Advisory Committee on Re-designation of Head Start Grantees.

1 FR: Joel Ryan, Executive Director
Washington State Association of Head Start & ECEAP
Kent, WA
Date: March 11, 2008

Dear Members of the Advisory Committee:

On behalf of the Washington State Association of Head Start and ECEAP we want to thank you for your assistance in crafting recommendations on a new system of grantee renewal for Head Start programs. Our association believes strongly that if a grantee is not operating an overall compliant program, it should be closed down. We support the highest levels of accountability and believe that we owe the children and families the highest quality program.

We support the concept of re-competing the grants of poorly performing grantees. But we also agree with the majority of the members of the two authorization committees that only a small number of programs should find themselves in a position of having to re-compete their grant. Wide scale competition would be costly to administer, would create more uncertainty and chaos in the management of a complicated program, and would unfairly "sweep up" high quality programs with subpar performers. The goal should be to eliminate those grantees/programs that are not providing high quality services.

Based on the feedback from our membership in the state of Washington we are making the following recommendations for your consideration.

Areas in Which Head Start Grantees Should Not Be Subject to Re-competition

- ✓ **Non-Compliances.** There are over 1,700 regulations that Head Start programs must follow. Being found out-of-compliance for minor violations or a "parking ticket" should not have an outcome of jeopardizing the grant.
- ✓ **Teacher Degrees.** The new Head Start reauthorization legislation establishes a national goal that half of all lead teachers must have a BA degree by 2013. It also establishes several professional development criteria for teaching assistants and education coordinators. We believe that Congress recognized that raising the credentials of Head Start teaching staff was important. However, Congress understood that there are many barriers, including the lack of funding to attract and retain teachers with degrees, the difficulty teachers have in finding early education programs that meet their needs, and the lack of a state-wide professional development infrastructure to handle this new requirement. This is why Congress was clear that programs should not be penalized if they cannot meet the credentialing requirements of the Act and why your committee should not include teacher qualifications as a criteria for re-competition.
- ✓ **Program Information Reports (PIR Data).** We believe that the information garnered from the Program Information Report is not reliable enough to be used

when determining whether a program should be allowed to retain their grant. Many programs stated that the information provided to the Regional Offices were snapshots in time and that in some areas like health services, the information could not be fully presented in the current reporting instrument. Some examples included whether programs should held accountable if parents had limited access to medical or dental services in their communities.

Areas in Which a Head Start Grantee Should Be Subject to Re-competition

- ✓ **Unresolved Deficiency.** We believe that programs should have an opportunity to correct a deficiency if it arises in a timely manner. If a program is unable or unwilling to quickly correct a deficiency in a specific time-frame we believe their grant should be opened up for competition. Our membership strongly supported this concept and thought special attention should be given to programs that have system wide failures in the areas of fiscal mismanagement and child safety.
- ✓ **Child Outcomes.** We believe that Head Start programs should produce results for children and families. Programs should measure how children are doing in the beginning of the year and at the end of the year and be held accountable for demonstrating progress when it comes to child outcomes. We would support the use of an aggregated report that looks at an entire classroom and analyzes the annual progress of children on specific outcomes. We would not support the development or use of one assessment tool like the NRS, but we would encourage the Office of Head Start to sanction several nationally recognized assessment tools that most programs are currently using.
- ✓ **“Chronic” Finding on Annual Financial Audit.** If a program is misusing funds or significantly mismanaging the use of taxpayer funds we believe this grantee should be subject to re-competition.

I want to thank you again for giving us the opportunity to provide some thoughts for you to consider as you develop recommendations on a system of grantee renewal. If you have any questions please feel free to contact me.

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FR: Mary Ellen Lykins, Head Start Program Manager
OWCAP Head Start
Ogden, UT
Date: March 18, 2008

I would strongly recommend a careful review of the formulas used in compiling PIR data.

As an example, the Profile Report Performance Indicators determines the percentage of children diagnosed with a disability according to the total enrollment for the year rather than the **funded** enrollment for the year. So if a program is funded for 700 children, but due to turnover during the program year actually serves 825 children; and that program serves 75 children with disabilities, the PIR will report fewer than 10 percent served. That would show a program which is actually serving an appropriate number of children with disabilities as serving less than the required 10 percent.

It could be misleading to rely heavily on the PIR as anything other than a general indicator of performance without serious, in-depth study of all the formulas used.

Thank you for the opportunity to provide input.

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FR: David Cochrane, PhD
Superior, WI
Date: March 30, 2008

Dear Panel Members:

I wish to make two suggestions on the topic of Re-Designation of Head Start Grantees.

First, I would recommend that the current system of program evaluation not be used in its present form to make decisions concerning the re-designation of grantees. I don't believe that it has established any validity or reliability that would be sufficient for this purpose. There is no way to insure any sense of consistency or fairness across the country. This is especially true when you look at the inconsistency in funding and the different size of agencies. In my 37 years as a Head Start Director I have been reviewed many times and have served on review teams since they began. The review team is a group of peers and Federal staff people who meet for a very short time in an agency (usually 2 days in the program and 1 day for contemplation, the other two days of the week are for entering and exiting) and make several findings about compliance. Each person on the team has interpretations based on their own experiences in Head Start. The compliance calls are usually made by the Federal staff person and most of them only know what they have learned in their region or from their experience. Some may be new and others never worked in a Head Start program and have only paper based knowledge of a program. In recent years OHS in their efforts to be objective have taken measures to use Federal staffs that are as far removed from the program as possible which has led to less informed compliance decisions.

The current system of evaluation was originally designed for helping agencies to self improve and it works fairly well for that purpose. Teams of professional evaluators who are trained in Head Start regulations and only evaluate programs may do a better job of assessing grantees for the purpose of re-designation.

At minimum agencies should have the right to appeal an evaluation. Currently, when a team creates its report it is almost impossible to correct the record even in the face of facts. It is handled like a court hearing except that the accused has no input and the persons who make the findings immediately disband and have no further accountability for the report. This lack of accountability has a significant effect on the findings.

Second, I would recommend that parents of the Head Start children served by that grantee have some input into the decision of changing grantees. How do they feel about the grantee and the job that it is doing with their children? Do they feel that their children are benefitting from the program and do they feel that the quality of their family life has improved? Who can better judge if a program is delivering high-quality and comprehensive services. I receive many unsolicited letters each year expressing the appreciation of parents for their child's

teacher or the Head Start program in general for being there for them. These comments are not considered in the process that looks intensely at the dates the bylaws were updated or the many other similar criteria of the current evaluation tools. Consumer satisfaction ought to be considered. I know several years ago that Head Start rated the highest of all Federal programs on consumer satisfaction and that must be taken into consideration. If a grantee is successful what better measurement would there be than the people who use the services. I would suggest that a comparison in the business world would be satisfying the customer with a quality product and meeting your corporate responsibilities would be key elements of success.

Finally, I believe that the number of grantees who need to be replaced are minimal and if a grantee needs to be replaced there needs to be a better system than is currently being proposed. I think that most grantees in this country are trying to operate programs effectively and are willing and able to meet the standards provided that the support and resources are available to them. I think the real problem is more of a communication problem about expectations concerning the regulations. The Federal staffs at the regional level are not aware of what OHS is expecting. As a grantee we have relied on regional staff and auditors since we began to guide us in decision-making. Regional staffs now make no decisions and wait on the OHS office for guidance which cannot come in a timely manner and auditors no longer provide the type of support that enables grantees to make fiscal decisions. The Office of Head Start has used the evaluation system to enforce their will on programs when it would have been far more productive to train regional staff and auditors. Even if we understand the regulation there is no one to turn to for further guidance. A WEB site is not an adequate replacement system for directing grantees while competent staffs remain idle.

The Head Start program has been successful for forty-three years in part from local decision making and input into decisions at all levels and that has been eliminated in recent years. We used to attend all types of business training to increase our skills and improve our systems we now focus on a mountain of paper work systems and efforts to understand what OHS is expecting. Local needs are no longer considered relevant even though circumstances and resources vary greatly. When a grantee is found deficient and is willing to change but unable due to local circumstance, I would suggest that a replacement grantee would not be any more successful except that the problems may vary and the expenses of making the change would be significant. The efforts should be on improvement at all levels. It should be returned to a partnership at the Federal and local level.

4	FR: Mississippi Head Start Association Dr. Peggy B. Answorth, President Date: April 2, 2008
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Dear Ms. Brown,

The Mississippi Head Start Association (MHSA) would like to congratulate you and each of the members selected to serve on the Department of Health & Human Services Secretary's Advisory Committee on Re-designation of Head Start Grantees. Your experience, expertise, as well as your advocacy for young children and families puts you in an important position to help ensure that Head Start programs continue to be held to high standards and accountability.

MHSA recognizes and believes strongly that Head Start/Early Head Start grantees should operate programs which provide comprehensive high quality services consistent with the Head Start Program Performance Standards and best practice. We also support the concept of transparent program accountability. While the majority of Head Start Programs exceed both state and Federal requirements, those who are not performing well should be addressed with careful monitoring and oversight.

Grantees that consistently perform poorly do not deserve the privilege of receiving Federal dollars. The programs that fall into this category are most certainly in the minority. Nonetheless, even one poorly performing program should not be allowed to misuse/waste Federal dollars. As your committee begins to examine and develop criteria, we urge you to take caution, avoiding the broad stroke approach, thus painting every program with the same brush. The goal of this committee as well as the Head Start community is to help identify and eliminate substandard program performance.

MHSA would like to offer for your consideration the following recommendations:

- Given that Head Start/Early Head Start Programs have well over 1500 regulations to adhere to, only those non-compliances which constitute a pattern of serious/gross violation should be considered as grounds for re-competition.
- Head Start is not immune from the critical teacher shortage that continues to plague our country. Programs struggle to attract and retain staff, competing with local public schools, private institutions, and other providers who have more competitive salaries. The State of Mississippi had to issue 2500 emergency certificates this year alone and anticipates over 5,000 teachers will retire this year. Credentials/teacher qualifications should not be a criteria for re-competition.
- The Program Information Report (PIR) has long been challenged as not capturing a good overall picture of program performance. PIR information should not be used in isolation as criteria for possible re-designation.
- A pattern of misuse/abuse, or significant unsolved fiscal issue, irresolvable deficiencies, or overall poor quality of service should be cause for re-competition.

As we work to strengthen programs and create opportunities for programs to be able to attract and retain quality staff, we must put systems in place which support program integrity and stability.

Again, we congratulate you and thank you for taking the time to consider our comments and recommendations. If you have any questions, please feel free to contact me.

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FR: National Migrant and Seasonal Head Start Association
Elizabeth "Biz" Steinberg, President
Yvette Sanchez, Executive Director
Date: April 23, 2008

Dear Members of the Advisory Committee,

On behalf of the National Migrant and Seasonal Head Start Association (NMSHSA), thank you for your assistance in drafting recommendations for a system of re-designation renewal. The NMSHSA agrees that all Head Start grantees should be accountable for delivering a high quality and comprehensive program that meets the needs of all children and families served. The re-designation process should be simple and easily understood by all Head Start grantees, and maintain continuity and sustainability of services provided.

Migrant and Seasonal Head Start (MSHS) programs provide services to 39,000 migrant and seasonal farmworker children in 40 states. In order to meet the needs of farmworker children and families across the U.S., the NMSHSA presents the following recommendations:

1. The process must take into account the times of the year when agricultural work is taking place, and consider scheduling MSHS programs to be re-competed during the "off season" so that services to children and families will not be disrupted. It is imperative that continuity of services in these rural areas be maintained while meeting the intent of the law. For MSHS programs, the criteria used to determine the re-designation process should take into account the following:

- length of operating period for each MSHS program (high impact, short-term, medium term, or typical regional Head Start operating period);
- summer operations (fewer resources are available during summer months as this is when educational institutions and other agencies typically have reduced staffing.);
- summer season operations are limited, often absent of available LEA services to manage children with disabilities, making it difficult for MSHS programs to have 10% of children with diagnosed disabilities;
- MSHS Programs that rely heavily upon seasonal teaching staff tend to experience high rates of employee turnover yearly. Many MSHS programs have teaching staff whose first language is not English and take many years to complete A.A. degree requirements. Many MSHS teachers who do achieve higher degrees of academic achievement subsequently leave for teaching positions that offer longer periods of annual employment; and
- timely acquisition of children/family records which are tied to service delivery outcomes can be affected by reduced summer staffing and services.

2. When determining whether a Head Start grantee is successfully delivering a high quality and comprehensive program, we suggest that PIR data should not be used on the basis of findings from the two Program Information Report (PIR) Validation studies completed in 2003 and 2007, which documented the current unreliability of PIR statistics as a tool for collecting program-level data.

Specifically related to MSHS programs, indicators currently used to determine program quality and performance in the current PIR need to be adapted to specific circumstances under which migrant and seasonal Head Start programs operate. Examples of these include but are not limited to: the determination of acceptable enrollment and attendance levels and

the points at which these are collected, follow-up on health treatments, teacher qualifications and professional development, parents' ability to fully engage in Individualized Family Partnership Agreements, and time elapsed for assessment of suspected or diagnosed children with special needs.

If the current PIR format will be used, grantees whose PIR information is triggering re-competition concerns should be systematically given an opportunity to respond to specific concerns and to justify, not correct, apparent shortcomings. In addition, to improve the quality and reliability of PIR information across grantees, OHS should establish a system to verify such information during its triennial reviews.

3. Triennial Reviews are one of the five elements required in drafting a system of re-designation renewal. A key measure of delivering a high quality and comprehensive program is the ability to correct non-compliance and deficiency findings through the corrective action period. If a program is unable or unwilling to correct a deficiency within a prescribed timeframe the grant should be subject to re-competition. In addition, the following should trigger re-competition:

- a. evidence of misuse of funds identified through unresolved findings in the triennial review or audits;
- b. the recurring failure to submit timely financial reports and audits and;
- c. failure to meet agency fiscal reporting requirements.

In order to make this element of the system equitable to migrant and seasonal Head Start grantees please consider the following: 1) Review Teams should include reviewers with knowledge and experience in migrant and seasonal farmworker and Head Start communities, particularly in the areas of ERSEA, Health and Nutrition, Program Design and Management and Governance; and 2) The monitoring tool should include specific instructions and clear explanations of differences that exist between regional and migrant and seasonal Head Start programs. All reviewers should be apprised of these differences during reviewer training.

MSSH program designs are generally complex in nature and sometimes cover large geographic territories. Experience has shown that the process of finding replacement MSSH grantees can be lengthy, as community organizations that are willing to assume responsibility for standard regional Head Start programs are not necessarily willing to undertake the challenges of operating MSSH programs, which typically feature seasonal employment, intensive extended-day services, high proportions of infants/toddlers and almost universal enrollment of families whose language of origin is not English. Consideration should be given to the potential disruption of services to this difficult-to-serve population and the potential learning curve required of replacement MSSH grantees.

4. In developing a system of re-designation, the Committee should rely on valid and reliable research-based observational measures of classroom quality, drawn from the overall program that takes into account such measures as a balanced daily program of child-initiated and adult-directed activities in a manner that is culturally and linguistically appropriate, the use of positive methods of child guidance, and individualized approaches to support each child's learning including experimentation, inquiry, observation, play and exploration as evidenced by observation and children's progress in learning documented over time by the Head Start Child Outcomes Framework. Until such measures are considered reliable and valid, we suggest that the use of classroom quality in determining recompetition be delayed for the first five years of the process while research-based measures are being piloted and validated. In addition, the evaluation of any pilot on

classroom assessments should be conducted by an independent panel to make recommendations for measuring classroom quality in the system of re-designation.

The Committee should ensure that any measure of classroom quality is aligned with the Study on Developmental Outcomes and Assessments for Young Children by the National Academy of Sciences.

5. We suggest that the definition of quality services be broad enough to assign due significance to the provision of culturally and linguistically appropriate services to children and their families, including the encouragement of parents and staff to support the acquisition of a strong home language base for children birth to three years of age. The consideration of quality for Head Start programs should be broader than education and classrooms only. Any definition of quality should include the level to which programs are providing health, nutrition, social and education services to children and families. Every program must be able to demonstrate the level of quality through the empowerment of families and the children in attaining their goals. Standards and criteria should be in place to be applied fairly but with flexibility across the board.

6. In developing a system of re-designation, the Committee should attempt to schedule "public hearings" in which invited Head Start program directors and other early care and education professionals with knowledge and experience in Head Start are invited to provide their recommendations and feedback.

The task of the panel is to define quality and determine what would trigger a re-competition. In conjunction with the above recommendations, we suggest that re-competition be triggered by a compilation of each Head Start program's performance on the five elements required in the system for redesignation.

Unless considered a "systemic or substantial material failure," no one instrument or outcome should trigger a re-competition. Instead, OHS should consider the overall "trend" of the performance of the Head Start program in complying with the five elements:

- A. annual budget and fiscal management data;
- B. program reviews conducted under section;
- C. annual audits;
- D. classroom quality; and
- E. Program Information Reports.

Thank you for the opportunity to provide our thoughts as you consider recommendations for the system of redesignation. As always, the NMSHSA is dedicated to working with you and the Office of Head Start to ensure that all eligible children are receiving high quality and comprehensive services.

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FR: National Head Start Association
Ron Herndon, Chair of the Board of Directors
Michael McGrady, Interim Executive Director
Alexandria, VA
Date: May 12, 2008

Dear Members of the Advisory Committee:

The National Head Start Association ("NHSA"), a membership organization dedicated to meeting the needs of Head Start children and their families that represents more than 1 million children, 200,000 staff and 2,600 Head Start programs in the United States, congratulates each of you on being chosen for the Secretary's Advisory Committee on Re-Designation of Head Start Grantees (the "Committee"). NHSA also thanks you for your commitment and efforts to advise the Administration for Children and Families ("ACF") on the content and process for grantee designation and competition.

As a general matter, NHSA supports a system that is transparent, reliable, valid, and fair. In addition, we suggest that the system for designation and competition use programs' current reporting, monitoring, and compliance requirements from the Head Start Act (the "Act") instead of creating new burdens for programs.¹ With that in mind, we offer the following ideas to the Committee as it considers how grantee designation and competition further the best interests of the Head Start program and the children and families served. NHSA would also welcome the opportunity to have its representatives provide a presentation directly to the Committee as well as to answer any questions that the Committee may have about NHSA's views on competition.

Preliminary Framework for Designating Programs and Competition

As the amended Act states, programs meeting the "educational, health, nutritional, and social needs of the children and families [they serve]," as well as "program and financial management requirements" should be considered "high-quality and comprehensive" programs.² All such programs should be designated for receipt of grant funding for another five (5) years and be free from competition. In keeping with the Congressional intent articulated in Conference Report 110-439, we believe these are the vast majority of programs.

Given that ACF can now terminate programs much more swiftly and easily than before and, at the same time, programs' appeal rights have been significantly diminished under Sec. 646 of the Act, ACF has ample tools already available to maintain program quality. As such, we suggest that the Committee draft its criteria setting a *floor*, above which programs would be deemed "high-quality and comprehensive" and not have to compete, instead of a *ceiling* which all programs must meet in order to be free from competition. Competition should be limited to programs that are not delivering high-quality and comprehensive services, *i.e.*, "poorly-performing programs."

¹ Programs are already burdened with reporting, monitoring, and compliance requirements, which have only increased as a result of the reauthorized Act. The Act grew from about 50 pages of requirements to fully 150 pages of text.

² Sec. 640(c)(1) of the Head Start Act.

Finally, we suggest that competition of a program be a last resort, as its duration and uncertainty may cause major disruptions to children, families, and staff.³ We are further concerned that the competition process could be a proxy for termination. Therefore, if a program is competed and the current grantee wins the competition (either against other entities or in situations in which no other entity competes), then the integrity of the competition should be respected and the current grantee should maintain its grant. Subsequent RFPs should not be issued for that grant. In instances in which a current grantee wins its own competition, training and technical assistance should be offered by ACF to help the grantee continue to serve children and families more effectively.

Focused Suggestions on Competition

In developing criteria for poorly-performing programs not delivering “high-quality and comprehensive” services, we submit the following suggestions:

Deficiency Findings

We suggest the Committee establish a system by which a threshold number of deficiency⁴ findings that have been identified under section 641A on-site triennial reviews would trigger competition. This threshold number of deficiencies should be statistically calculated to be a certain number of standard deviations from the mean number of deficiencies received in a given year. The threshold (*i.e.*, the floor) should limit the percentage of programs subject to competition in a given year to five (5) percent. (For example, if the average number of deficiencies received by programs in their triennial reviews for FY 2007 was four (4), then ACF would set the threshold at some number of standard deviations from the mean, so that programs to be re-competed would total five (5) percent of all Head Start grantees). This approach would certainly hold accountable poorly-performing programs and protect those that are performing well.

In addition, we suggest that the Committee exempt from a standard deviation approach the following:

- (1) old deficiencies not rising to the level of a deficiency under the amended Act;
- (2) corrected findings for programs above the floor; and
- (3) non-compliance findings and first-year review findings.

Old Deficiencies

First, when the system for designation and competition initially goes into effect, some programs' on-site monitoring review data will date prior to December 12, 2007, when the amended Act went into effect. This is important because the amended Act defines “deficiency” more narrowly than before, requiring an issue to rise to the level of a “systematic or substantial material failure in an area of performance” to be deemed a deficiency.⁵ Therefore, we suggest that for the purposes of the designation process, any on-site monitoring review findings dated prior to the new Act would be re-characterized under the new standards. This means that items characterized as deficiencies under the

³ Such disruptions are evidenced by the Office of Head Start (“OHS”) presentation to the Committee at the March meeting which explained that RFPs for replacement grantees can sometimes take 3 or 4 rounds prior to finding an eligible new recipient.

⁴ As defined in the amended Head Start Act, Sec. 637(2).

⁵ *Id.*

old Act that do not rise to the level of deficiencies under the amended Act would not be counted against a program or towards competition.

Findings Corrected During the Allotted Corrective Action Period

Second, a key measure of delivering a “high-quality and comprehensive” program is correcting non-compliance and deficiency findings through the statutorily-required corrective action period.⁶ OHS’ presentation at the Committee’s March meeting demonstrated that although many programs had some form of non-compliance or deficiency finding in their on-site monitoring reviews, most programs corrected those findings during the corrective action periods allotted under the Act. Therefore, we suggest that programs above the floor that correct their findings should not be penalized for making necessary corrections by being competed.

Non-Compliance Findings and First-Year Review Findings

Third, NHSA strongly suggests that non-compliance findings and results of first-year reviews should be exempted from the competition criteria that the Committee ultimately recommends. As explained to the Committee at its March meeting, non-compliance findings (which must be corrected to avoid becoming a deficiency) are minor as compared to deficiencies. In other words, they do not rise to the level of a “systemic or substantial material failure.” As such, evidence of non-compliance findings should not trigger competition. In addition, given the considerable time that it takes new grantees to implement all of the Head Start Performance Standards, deficiencies that have been identified during the first-year monitoring cycle for new grantees should not trigger competition. Programs in their first year are just getting started and should not be penalized for finding and fixing errors.

Valid and Reliable Data from Multiple Sources

As required by section 640(c)(1) of the Act, the system for designation and competition of programs should utilize multiple sources of data to establish a pervasive and evidence-based pattern of poor performance, instead of relying on any single data source to determine that a program is not delivering “high-quality and comprehensive” services.

In developing criteria for poorly-performing programs, we suggest that the Committee rely on valid and reliable research-based observational measures of classroom quality drawn from the overall program, such as a balanced daily program of child-initiated and adult-directed activities, use of positive methods of child guidance, and individualized approaches to support each child’s learning, including experimentation, inquiry, observation, play and exploration, as evidenced by observation and children’s progress in learning documented over time by the Head Start Child Outcomes Framework. We do not recommend that the Committee consider findings from the observation of any one classroom or utilize specific classroom assessment data on individual students collected in conjunction with the Head Start Child Outcomes Framework. In addition, we suggest that the Committee consider measures of classroom quality that will be recommended in the yet-unreleased Study on Developmental Outcomes and Assessments for Young Children by the National Research Council Committee in the National Academies. A focus on outcomes that is beyond the scope of the Head Start Act would not be appropriate.

⁶ Under the Act, the corrective action periods can be up to a year from the date of notice to the program. See Sec. 641A(e)(2)(A)(ii).

Audits

In developing criteria for poorly-performing programs, we suggest that the Committee take into account programs' responses to audit findings and not consider corrected audit findings. Further, we suggest that when establishing criteria to determine whether a program should be competed, the Committee take into account whether the program has had clean A-133 audits for the previous two years.

New Teacher Degree Standards

In developing criteria for poorly-performing programs, we suggest that the Committee not consider the newly-enacted standards for teacher degree qualifications as they set national thresholds, not program-specific requirements. As such, these national thresholds cannot be counted against a program as a finding in the triennial monitoring process.

Program Information Reports

Based on findings from the two Program Information Report ("PIR") Validation studies completed in 2003 and 2007 that documented the current unreliability of PIR statistics as a tool for collecting program-level data, we recommend that PIR data not be used to make a determination about program quality until OHS has resolved the current inaccuracies in the PIR reporting system.

Results from Risk Management

Further, we suggest that the system exclude any new results from the recently-implemented Risk Management ("RM") system, a creation of ACF, not statute. Importantly, RM is based on data that the Committee is already considering, including sources such as on-site monitoring reviews and audits. It is our understanding that ACF intends RM as a planning tool to assist in fostering a systems approach to the identification of potential risk factors that, if unaddressed, could result in grantees becoming poorly-performing programs. Therefore, factoring RM results into the designation and competition process would be unnecessary, as ACF will have already required grantees to resolve any issues identified during the risk assessment process.

Cost of System to Programs

We strongly suggest that the system not contain any hidden or extra costs for programs. Despite the Committee's vigorous discussion on the subject at its first meeting, it is important to understand that programs cannot be required to "over-match" the amount of non-Federal funds they are required by law to devote to their Head Start programs. Thus, the idea that programs should have to find additional sources of funding to meet their many requirements is contrary to law and Congressional intent. Moreover, the system for re-designation must work within the confines of Head Start's dwindling appropriations, which have eroded over the years and have not kept pace with inflation.

We hope these suggestions are useful to the Committee as you begin to outline recommendations for the Head Start system of designation and competition. As stated above, we would welcome the opportunity to present to the Committee directly. Please contact the undersigned if you have any questions or to schedule a time for our presentation.

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FR: Deborah F. Einstein, Director
Alexander County Head Start
Taylorsville, NC
Date: May 14, 2008

Dear Members of the Advisory Committee:

When I learned of the planned revisions in the process of designating Head Start grantees, I was thrilled. I have been a Director for two Head Start Programs, one which I left 20 years ago to attend to the needs of my youngest child, and the one listed above. During that 20 year span between Head Start jobs, I have remained in close contact with members of my former management team. They tell horrific tales of the negligent leadership of their grantee agency. Many times, these friends have expressed their frustration over being asked to sign fraudulent "sign-in" sheets for trainings and meetings that were never held. Other tales involving Head Start directors who are never at the office (always out traveling) and poor oversight of Head Start funds that often result in loss of work time for Head Start employees – but not for grantee staff. Of course, I hear of these frustrations when that Head Start Program is about to undergo a triennial review.

As their former Director, we formerly ran that program strictly "by the book". Head Start Performance Standards are an excellent roadmap to producing an excellent preschool program for children – particularly disadvantaged children. We performed well during reviews and were even awarded an expansion grant! What troubles me most is that the fraudulent documentation and pre-review coaching has resulted in adequate reviews for this particular grantee agency to continue to receive funding.

I am so encouraged to think that the Office of Head Start is actively seeking ways to improve quality by investigating the need for grants to be re-bid when grantee agencies are not operating honestly and with integrity. I trust that the kind of fraud that I have been made aware of for the last 20 years may soon come to an end.

In addition, I believe that Head Start grantee agencies that are, indeed, operating legally, appropriately, and with integrity will also welcome these reforms. Those that object.....may warrant a closer look.

Thank you for your time.

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FR: David Cochrane, PhD, Head Start Director
Superior, WI
Date: May 18, 2008

Dear Panel Members:

I wish to lend my support to the letter of May 12, 2008 from the National Head Start Association. I support and concur with all the points made in their comments.

Our agency will be undergoing a review this year and the expectations regarding the new Head Start Act are not clear at this time. We are told that the Act is law and all provisions

are to be followed but to go slowly so that the bureau has time to make regulations and understand the implications of the Act. The idea of going slowly creates doubt and uncertainty when you consider a monitoring review.

I personally believe that most of the deficiencies are a result of either not having sufficient information or a misunderstanding of the interpretation of existing regulations. It appears that in the last few years the office of Head Start has been enforcing regulations through the monitoring process especially in the fiscal area without any contact with the regional offices. I would suggest a comprehensive study of the deficiencies over the last several years to gain an understanding of the problems those grantees may be having before we write rules for eliminating grantees. The question to be answered is, Are deficiencies the result of poor grantees or are deficiencies the result of badly written and implemented regulations? Is the system that makes and implements regulations working properly? If that needs to be corrected, how can we hold grantees responsible for findings? We will repeat the same problem with new grantees in the future.

As we move to understand the recent history we should also be careful not to repeat these situations with the New Head Start Act. Are we going to continue to monitor regulations that no one really understands. In the past program reviews were in some fashion a teaching tool for the implementation of regulations but since you have added the Re-designation factor there should be some other system for the implementation of Federal regulations. This is especially true for fiscal regulations which are not compiled in any one place but are strewn over many departments of government.



FR: Charles T. Kalthoff, Executive Director
ACCORD Corporation
Date: May 28, 2008

Dear Members of the Advisory Committee:

The purpose of this letter is to express ACCORD Corporation's support of the position the National Head Start Association has taken on the Re-Designation of Head Start Grantees as submitted to this Committee in a letter dated May 12, 2008.

We concur with each of the comments and suggestions submitted to this Committee by the National Head Start Association.

We hope that you consider these suggestions as you begin the process of developing recommendations for the Head Start system of designation and competition.

FR: Don Mathis, President & CEO, Community Action Partnership
Teresa Cox, Chair, Head Start Task Force, Community Action Partnership, and
Executive Director, Mid-Williamette Valley Community Action Agency
Salem, OR
Date: June 2, 2008

To the Distinguished Members of the Secretary's Advisory Committee:

On behalf of the Community Action Partnership—the national membership organization of more than 1,000 private nonprofit and public Community Action Agencies across America—we are grateful for the opportunity to submit comments to the DHHS Secretary's Advisory Committee on the Re-Designation of Head Start Grantees. Approximately 30% of our Community Action Agencies administer Head Start programs and the Community Action Partnership (hereafter the "Partnership") views Head Start as an integral part of our strategy to promote economic security and better futures for low-income children and their families.

The Partnership's primary point is that as HHS conducts its grantee reviews, re-competes, and re-designations that Community Action Agencies be included in those discussions and work with HHS to improve programs and correct any programmatic or financial deficiencies. The Partnership also is committed to "high-quality and comprehensive Head Start programs" and we work with the Head Start Bureau's colleagues in HHS's Office of Community Services to strengthen and improve Community Action Agencies that administer Head Start.

The Partnership believes, however, that rather than requiring a "ceiling" that all programs must reach that HHS establish a rigorous "floor," a basic level of program compliance that Head Start programs must meet and are encouraged to exceed. This concept is consistent with the Partnership's adaptation of the Malcolm Baldrige Criteria for Performance Excellence which scores businesses and programs on an "advancing to achieving to excelling" continuum. The Partnership supports a rigorous system of Head Start program monitoring, review, and technical assistance for those grantees that are determined to be poorly-performing. Competition for a Head Start grant should be the final option for a grantee that has not demonstrated improvement consistently from one year to the next, except for those programs proven to show abject fraud or gross negligence.

In cases of Head Start programs having reviews that range from minor non-compliance issues to the more serious "systemic and substantial material failure," such grantees such have at least the one year that the new Head Start Act guarantees to make improvements and corrections. In cases where a seriously-deficient grantee has shown and documented substantial improvement, the Advisory Committee should consider another year of probationary status for that grantee to attain compliance and should not be subject to re-competition during that extended corrective action period.

The Partnership will continue to follow the progress of the Secretary's Advisory Committee with keen interest; we have a nationally-representative Head Start Task Force that meets, shares information, and considers policy recommendations. The Task Force is interested in the Advisory Committee's recommendations on first-year reviews, new teacher standards, the relatively new "Risk Management" system, and other program and policy changes stemming from the new Head Start Act.

We ask that the Advisory Committee's final findings, outcomes, and recommendations be published for public comment in the Federal Register, with a 90 day comment period.

If the Advisory Committee has any questions or wants more information from the Partnership, please contact Don Mathis, President & CEO, Community Action Partnership.

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FR: Melanie Hartzog, Deputy Commissioner
City of New York Administration for Children's Services
New York, New York
Date: Jun 4, 2008

Dear Members of the Advisory Committee:

The City of New York Administration for Children's Services (ACS) is the Head Start Super Grantee for New York City since 1965. With 76 delegate agencies, we provide Head Start services to over 19,000 children at 257 program sites and in Program Year (PY) 43 were awarded a grant of \$181,642,302. Thank you for the opportunity to provide comments on the designation renewal system.

As the panel considers the components of the designation renewal system, ACS urges the members to adopt two guiding principles. (1) We recommend that the panel factor in the size and complexity of the grantee including the number of delegate agencies and whether or not the grantee also provides direct service. (2) In order to determine whether a Head Start grantee is successfully delivering a high-quality and comprehensive Head Start program and whether the grantee has any unresolved deficiencies found during the last triennial review, it is imperative that the panel give consideration to creating a strength based system that values programs that demonstrate programmatic improvement throughout the five year period of review. A strength based system would acknowledge areas where a program is doing well and value a program's commitment towards improvement, including following through on a Quality Improvement Plan.

Deficiency Findings

In determining whether a program is both high quality and comprehensive focus should first be made on the strengths of a program rather than the weaknesses. However, it is certain that the determination will take into account whether the program has any deficiency findings. Given this possibility we submit the following recommendations:

The Improving Head Start for School Readiness Act of 2007 amended the definition of deficiency to "a systemic or substantial material failure of an agency in an area of performance..., systemic or material failure of the governing body of an agency to fully exercise its legal and fiduciary responsibilities; or an unresolved area of noncompliance" (Section 637). The phrase "systemic or substantial material failure" is inherently vague and ambiguous at best, needing further clarification prior to the use of deficiencies as a gauge for renewal designation. The Head Start Act stipulates that the "Secretary shall ensure the system for designation renewal is fair, consistent, and transparent" (Section 641). A clear definition of "systemic or substantial material failure" will help to ensure consistency and relieve the renewal process of uncertainty.

If a program's deficiencies are included in determining whether the program is delivering a high quality and comprehensive Head Start program, not only should the number of deficiencies a program has received be taken into consideration but so should the frequency and severity of the deficiency. The suggestion that a threshold number of

deficiencies be used to trigger re-competition is not adequate as it does not take into account the nature of deficiencies nor does it focus on the programs strengths and qualities such as the ability for rehabilitation and the improvements made by the program over time.

Once a deficiency finding is made, it is important that grantees be provided with sufficient time to make appropriate corrections. If a program has not been given a reasonable opportunity to cure its defects, the results of the triennial review should not be included in the criteria to determine re-competition. By focusing upon prompt and appropriate corrective action and providing sufficient time to do so, the grantee will not only improve practice but it will also enable the review process to shift to a strength based system.

Annual Audits

In evaluating the use of annual audits as required under Section 647 of the Head Start Act, the panel should apply a strength based approach which considers the grantee's response to the audit findings and takes into account corrected audit results rather than the original audit findings.

Program Information Reports

While the Head Start Act includes the Program Information Reports (PIR) as one of the criteria for determining if a Head Start agency is delivering a high quality and comprehensive program, there is concern with the reliability of PIR data especially if it is elevated to be included in the designation renewal system. Therefore, we recommend that PIR data not be used to determine program quality until the dependability of such data is proven.

Additionally, PIR data reflects past program years. If a program has shown recent improvement, it will not be reflected in the PIR. Options which demonstrate current information should be chosen instead.

Risk Management Process

The Office of Head Start has recently initiated a Risk Management Process for all grantees. While this process includes a strength-based approach it is both untested and repetitive of factors already under consideration by the panel. We urge the panel to uphold the Risk Management Process as an independent planning tool used solely for management rather than for assessment and exclude the results of the process from the re-designation criteria.

Local Grantee Evaluation Tools

We have recently developed and will begin to pilot a quality performance measurement system for early care and education services in the City of New York. This new system will include a common set of program standards and assessment protocol for all City-funded early care and education programs including Head Start. The assessment process will identify program strengths and weaknesses in fostering children's healthy development and hold all programs to the same high quality standards.

ACS encourages the panel to include local performance measurement systems, if offered by the grantee for consideration, as a tool in determining designation renewal. We are not suggesting that such systems be mandated. However, such systems may allow local resources to be leveraged where they already exist and should not be ignored.

Eligibility to Re-Compete

Should a grantee not receive a renewal, we recommend that such a grantee be eligible to participate in the open competition. While the Head Start Act requires that the Secretary take into account "any past performance of such applicant", the fact that a renewal was not granted should not in and of itself be a factor. Otherwise, to include the failure of a grantee to receive a renewal as part of the open competition process would render the re-competition to the equivalent of a termination without the right to appeal. The panel may consider providing due process rights to programs who are deemed not to have a high quality or comprehensive program.

Designation Renewal System Costs

ACS strongly advocates that any system for designation renewal not include any additional costs to the grantee. We currently operate in fiscally challenging times that have seen decreased funding for the Head Start program. New York City anticipates a \$28 million shortfall in Federal funding of Head Start services for the program year beginning February 1, 2008. Even as we have successfully taken strides to reduce costs wherever feasible, our total expenses have continued to increase in critical areas of fixed costs, especially in real estate and health insurance.

We hope that the recommendations we have provided are helpful to the Committee and we appreciate the time you have given to our concerns. ACS would welcome the opportunity to discuss our recommendations and to answer any questions put forth by the committee.

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FR: Marie H. Galvin, Director
Somerville Early Head Start
Somerville, MA

Date: June 13, 2008

To Whom It May Concern:

I am concerned about the "automatic indicator" to recompute:

- Confirmed case of child abuse or neglect by an agency staff operating the Head Start Program

The issue is not that child abuse has occurred but rather how the agency or Head Start program deals with a situation where child abuse or neglect is perpetrated by Head Start staff. The danger in the category as it is now described, is that if this were passed, the tendency would be to not report such incidences or to cover them up. Head Start does not need a scandal similar to the Catholic Church scandal and more importantly children have a right to be protected.

Rather than looking at one incident of institutional child abuse or neglect as an indicator for recompetition, we should be looking at systems programs have in place for handling such situations and patterns of such situations in any program or agency.

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FR: Larry K. Kleeman, Executive Director
Lincoln Hills Development Corporation
Tell City, IN 47586
Date: June 18, 2008

Dear Sir:

We are the Head Start Grantee and have been so since 1965. I understand that you are considering some "automatic indicators" that if a grantee had one of these would automatically have to re compete. I have some concerns about two (2) of the "automatic indicators" you are considering. First let me say I'm not sure if there should be any automatic indicators but having said that I feel very strongly about the following two that in my opinion need to be deleted from the "automatic indicators" if in fact you adopt such a system.

1. Revocation of license to operate. We operate seven (7) state licensed child care centers (I believe currently that is an option and not a requirement). We therefore have voluntarily had our centers licensed. One of the licensing provisions is that we cannot have any employees who have been charged with child neglect or abuse. Since we do not have access to child neglect or abuse records unless criminal charges have been filed we have no way of knowing if an applicant for employment is in this situation. Last year we had a situation where we were notified by the Department of Child Services Licensing Division that our license would not be renewed because we had an employee working for us who had been charged with child abuse or neglect. Let me state again we have no way of determining this information up front. In this particular situation the employee in question has neglect charges filed against her over three (3) years ago, went through a rehabilitation program and we had the court and County Department of Child Services state that all charges had been dropped and she successfully completed her rehabilitation, all of it prior to her ever applying for a job with us. We are contesting the state's threat of withholding our license as we do not believe it is justified. But this example as I understand your "automatic indicator" policy would mean that IF the state does not renew our 1 license for this center for this 1 employee for an old charge that has been dismissed our whole program would be penalized by having to re compete. That doesn't make sense to me.

2. Further I understand that a "confirmed case" of child abuse or neglect by agency staff would constitute another "automatic indicator". During this past school year we had a long-term employee who used inappropriate discipline on a child that was out of control and had called the teacher a "fucking bitch". The employee, not the teacher, slapped the child in the mouth (once) and told the child that was not proper language. That was not the proper procedure for the employee and when we found out about the incident we immediately suspended the employee (indefinitely) and we went one step further we notified the Department of Child Services to self-report potential child abuse. The DCS notified the police department, an investigation was conducted by the police and DCS and the matter is now out of our hands. Now as I understand it because we did the right thing by suspending the employee and reporting the incident to DCS this will trigger an "automatic indicator" and our program will have to re compete. So in the future should we not report such incidents in order to keep our Head Start grant?

It seems to me that in both of the above instances the "automatic indicators" are too severe for incidents such as the ones that happened to us this year. I urge you to provide a little more flexibility. Thanks for your consideration.

FR: James Anderson, Chief Executive Officer
Family Resource Agency, Inc.
Cleveland, TN
Date: June 24, 2008

I recently read where the Secretary's Advisory Committee had reached the consensus that one of the automatic indicators that would require an automatic recompetition of a Head Start grant was a confirmed case of child abuse or neglect by agency staff operating the Head Start program. I'm not sure exactly what that statement means or exactly what staff that applies to. However, I have a major concern with such a position as that on that particular issue.

As the CEO of a high performing Head Start Agency for over 20 years and having served as Head Start Director myself, I would make the point that even with a well-developed employee recruitment, selection, training, and supervision process it is impossible for the management of an agency to absolutely guarantee that he/she can prevent any and every act of employee wrongdoing like this from occurring. It troubles me a great deal to think that the careless or irrational actions of one employee, acting in a manner that is contrary to all training they have been given by the agency, and in direct conflict with commonly expected behavior could suddenly and completely jeopardize our entire Agency's ability and opportunity to continue operating a Head Start program. In reality we could see decades of good service relegated to naught all because one low level staff person did something really stupid.

I can understand how that if an Agency hasn't been diligent in discharging its duties to hire, train, and supervise its employees then it should not be allowed to operate a Head Start program. However, I think it is completely unreasonable to put the entire grant in jeopardy for the actions of one person which could be a very low level employee such as an Assistant Teacher, Kitchen Assistant, or such.

Also what if a higher level or some other employee is confirmed to have abused or neglected a child at their home in a situation that has nothing directly to do with the Agency. Again, is it reasonable or proper to punish the entire organization for the actions of one.

As the CEO, I am willing to be totally candid and tell you that management cannot always prevent an act of wrongdoing from occurring. In the financial arena auditors readily recognize and point out that no system is so good that it can always prevent every act of wrongdoing from occurring. However, they look at whether reasonable systems of checks and balances are in place and also what the organization has done if some irregularity has been discovered. What is telling about the character of an organization is what does management do when an act of wrongdoing occurs. Does that management directly and openly address the situation and hold the individual or individuals accountable or does it try to sweep the problem under the rug?

For those of you on the Committee who might have children or supervise others in your organization I would simply ask you if you can guarantee that your children or your employees would never commit some unreasonable act such as this? I don't think you can.

I also think what you may inadvertently do by adopting such an unreasonable position is to put some organizations under an extreme pressure not to openly deal with staff behavior situations that may border upon abuse or neglect for fear of losing the grant. This would be unfortunate indeed and would not be in the best interest of the families or children we serve.

So I encourage you to reconsider your position on this topic and adopt a more realistic perspective in terms of what can be absolutely controlled and prevented by good management versus what cannot.

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FR: Selena Walsh-Wheeler, Director, Governmental Relations
Neighborhood Centers, Inc.
Austin, TX
Date: July 17, 2008

To whom it may concern:

It is my understanding that the Secretary's Advisory Committee (SAC) on Re-Designation of Head Start Grantees received a proposal by the Office of Head Start ("OHS") for a re-designation system that was considered by SAC this past June.

Please accept this letter as an official request for a copy of the OHS proposed re-designation system; delivery: e-mail at: swalsh@neighborhood-centers.org or if preferred by mail, see mailing address below.

I thank you very much for your attention to this request and wish you the best of luck with your very important work.

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FR: Shirley Murray
Date: August 11, 2008

Hi:

Thank you for the 6-9 summary from the advisory committee meeting. I have a few questions*

- 1) What was the initial cause of the change in grant renewal?
- 2) Will the upcoming presidential elections have an impact on this plan?
- 3) Will the October meeting be on the web?
- 4) Was creating the key indicators and elements a responsibility of the committee or will that be the responsibility of another? Will the public have an opportunity to review and comment on the final draft?

Thank you.

FR: Randy K. Jones, Esq., Chairman, Board of Directors
Neighborhood House Association
San Diego, CA
Date: November 17, 2008

Dear Members of the Advisory Committee:

The Neighborhood House Association (NHA) would like to thank the Advisory Committee for its efforts to develop a re-designation process for Head Start grantees that promotes continued high quality services and ensures grantee accountability. As one of the largest Head Start and Early Head Start programs in the country, NHA shares these goals. NHA has been a Head Start grantee for over 30 years and currently serves through its network of delegate agencies, partnerships, and collaborations approximately 8,100 children and families daily through 112 early childhood and education centers located throughout San Diego, California. This letter discusses several important recommendations and considerations that NHA believes should be reflected in the new re-designation policies. It is critical that the rules and evaluation methods applied to Head Start grantees be uniform, valid, transparent, and apply designation renewal systems uniformly across all grantees. Each of NHA's recommendations will advance those goals.

The Head Start Re-designation Committee recommends that grantees be evaluated on two indicators: Automatic Indicators and Key Quality Indicators. Automatic Indicators are serious offenses where a single occurrence would be considered indicative of a grantee's inability to provide high quality service and require a grant to be re-competed at the end of the grant cycle.

The Committee recommends that those grantees that do not have any Automatic Indicators at the expiration of the grant cycle be evaluated on a second tier of indicators: Key Quality Indicators. Key Quality Indicators would be minor infractions found in the yearly monitoring reviews and the Program Information Report. The evaluation system would assess weighted scores for each minor infraction that would then be used to evaluate the grantee. Grantees with the highest aggregated number of points would be subject to re-competition.

NHA agrees with the Committee that re-designation of poorly performing Head Start grantees is important and recommends the following changes to the Committee's proposed re-designation structure.

1. The Framework for Re-designation Should Rely Only on Uniform Federal Data

The process for re-designating Head Start grantees should not rely on non-Federal data. Currently, the Committee has proposed using non-Federal data to determine the quality of a grantee and whether or not the grant should be automatically re-competed. The first recommendation of the Committee is that the re-designation process should be "uniform, valid, and transparent." A system that relies on the patchwork of State, county, and city laws and regulations is *not uniform*; a system that holds one grantee to a higher standard than another is *not valid*; and a system that cannot be accurately tracked by the Head Start office is *not transparent*.

Head Start grantees face a wide range of compliance standards that vary depending on the state, county, and municipality in which the grantee operates. State and local

governments may subject Head Start grantees to compliance requirements that are unique to that location and that do not exist, or are structured differently, in other areas. For example, although sexual abuse is a serious offense that one would think should automatically open a grant for re-competition, the Advisory Committee declined to categorize sexual abuse as an automatic indicator, in part because the legal definition of “abuse” varies by state and could not be uniformly evaluated across all localities and grantees. Though incidents will surely weigh against the grantee during re-designation, the Advisory Committee shied away from establishing a blanket rule due to concerns about uniformity.

Other potential Automatic Indicators, including bankruptcy laws and licensing requirements, are not uniform across state lines. Nearly all states require licensing of childcare facilities—most states, however, do not require childcare licenses for early education programs. Licenses are often site-specific and not grantee-specific. In some areas, a grantee may move children to new, improved centers and lose site-specific licenses at old locations. NHA strongly believes that Head Start does an effective job of holding all Head Start centers to a universal standard of excellence, and that a uniform, valid and transparent measure of health and safety of Head Start centers is “suspension.”

Ultimately, if non-Federal data is used in assessing grantees, a Head Start grantee could potentially be assigned an Automatic Indicator for a deficiency that could not possibly occur at a comparable facility located in another state due to differing or non-existent, non-Federal regulations. Head Start should not impose a penalty for standards that are not uniformly imposed on all grantees, as recognized by the Committee in the incidence of sexual abuse. The fundamental purpose of grantee oversight is to promote high quality services and grantees that embody the essence and word of the Head Start Act. Uniform, Federal standards are the best solution.

NHA is also concerned that assessing deficiencies based on non-uniform, non-Federal standards will discourage reliable self-reporting and leave Head Start with spotty information. Indicators that automatically require re-designation competition and are tied to self-reporting will create a strong disincentive for honest self-reporting by grantees. Head Start, which only has the capability to monitor grantee compliance with Federal laws and regulations, has traditionally relied on grantees to self-report any incidents that run afoul of state or local regulations. NHA and other grantees have dutifully reported even the most minor incidents to Head Start officials. The system encourages an honest, open, oversight regime that promotes ongoing quality services to children and families. However, if the new re-designation process assigns automatic re-competition based on violations that vary from state to state, many grantees will decline to self-report “borderline” or minor incidents. Since Head Start does not have the capacity to monitor every potential incident at thousands of centers nationwide, the end result could be diminished quality and increased risk.

2. Grantee Deficiencies Should be Scored on a Per-Center Basis

A scoring system that compares grantees per infraction and is not based on a per-center calculation will compound minor problems with “super-grantees” while allowing potentially preventing [sic] poorly performing small grantees from ever meeting the threshold of re-competition. The scoring system should evaluate grantees based on a points-per-center average in order to get a clear picture of each grantee’s overall performance.

If Key Quality Indicator scoring is based on aggregated points, it is inevitable that a grantee operating many centers will have more total points than a grantee with far fewer centers. For instance, a grantee with 100 centers could potentially have 25 areas of non-

compliance over the course of 5 years—or an average of only 0.05 non-compliances per-center annually—and be assessed a score of 25. On the other hand, a Head Start grantee that operates only one center could have 20 areas of non-compliance over those same 5 years and have an average of 4 non-compliances per-center annually but nonetheless receive a lower score, in the absence of per-center averaging. That single center grantee would potentially not have to re-compete despite a dramatically inferior overall performance record because the 20 incidents occurred all at one center. Which is a more highly effective program? The grantee with 4 incidents of non-compliance per center per year with a score of 20, or the grantee with 0.05 incidents per center per year with a worse score of 25? Obviously the grantee with significantly fewer incidents per center is the high performer, but the scoring system proposed by the Committee does not take into account incidents per-center and will unjustly require re-competition for many super-grantees while allowing many poorly performing small grantees to automatically renew their grants.

Averaging points on a per-center basis would produce a more uniform and valid measure of a grantee's overall compliance with Head Start's performance standards.

3. Re-designation Review Should be Limited to Deficiencies Under the Current Grant Cycle.

Lastly, NHA recommends the re-designation process have timelines. First, the re-designation process should not begin until the Secretary has published final regulations in the *Federal Register*. After publishing the final regulations, grantees should be allowed to renew grants, and review for re-designation should begin at the time of renewal. In order to offer the process validity and transparency, grantees should have time to understand and implement the Secretary's re-designation process.

Second, the Advisory Committee recommends that grantees be reviewed near the end of each grant cycle. The Advisory Committee should make it clear that the review will only assess grantee performance during that grant cycle. The Advisory Committee's current proposal does not specify whether Head Start could consider deficiencies that occur under a previous grant cycle. For example, if a grantee filed for bankruptcy in 2000 and was subsequently reorganized awarded a Head Start grantee in 2004, the Advisory Committee needs to make clear that the bankruptcy in 2000 will not be an Automatic Indicator at the time of the 2004 grantee's final review in 2008. Similarly, the Advisory Committee must clearly state that grantees will not be assessed at their final review on Key Quality Indicator points earned under prior grant cycles.

Permitting consideration of prior deficiencies would effectively mean that a grantee would be forced to recomplete a grant at the end of each grant cycle due to a past deficiency, even if the grantee's performance had been impeccable for several grant cycles. Considering deficiencies that occurred during previous grant cycles would be particularly invalid in cases where the grantee has undergone a change in management in the intervening period. NHA believes that it is not the intention of the Advisory Committee to allow for consideration of events that occurred in previous grant cycles and believes that the Advisory Committee should clearly state this intention in their recommendations to the Secretary.

Conclusion

The Neighborhood House Association thanks the Advisory Committee for its efforts and looks forward to working with the Advisory Committee to help implement an effective re-designation system for Head Start grantees. The goal of the final re-designation system should be to promote high quality services and ensure grantee accountability through

uniform, valid, and transparent rules and standards. To that end, the Advisory Committee should articulate standards that rely on uniform Federal data, account for the relative size differences amongst grantees by averaging deficiency scores on a per-center basis, and only review deficiencies that have occurred during the grant up for re-designation.

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FR: Vanessa Rich, Deputy Commissioner
Anthony Raden, Deputy Commissioner
Chicago Department of Children and Youth Services
Chicago, IL
Date: December 12, 2008

Dear Members of the Advisory Committee:

The City of Chicago's Department of Children and Youth Services (CYS) would like to thank the Advisory Committee for its efforts to develop a re-designation process for grantees that ensures grantees are delivering a "high quality and comprehensive Head Start program that meets the educational, health, nutritional, and social needs of the children and families it serves, and meets program and financial management requirements and standards."

As one of the largest Head Start "super-grantees," CYS shares the goals of the Advisory Committee. A grantee since the 1965 summer pilot program, CYS currently serves over 16,000 children through its network of more than 400 delegate agencies and collaborations across the city of Chicago.

We applaud the Advisory Committee for taking on this critical issue and we look forward to reading the Committee's recommendations to the Secretary of Health and Human Services. This process provides a terrific opportunity to establish re-designation policies that strengthen programs and increase accountability. To do this, the rules and evaluation methods applied to Head Start grantees must be uniform, valid, and transparent.

CYS agrees with the Committee that the re-designation of poorly performing Head Start grantees is important and submits this letter for the record to raise three important considerations it believes should be reflected in the new re-designation policies.

1. *Quality* should be clearly and appropriately defined.

The Head Start Re-designation Committee recommends that grantees be evaluated on two indicators: *Automatic Indicators* and *Key Quality Indicators*. Automatic Indicators are serious offenses by which a single occurrence would be considered indicative of a grantee's inability to provide high-quality service and require the grant to be re-competed at the end of the grantee's cycle. The Committee recommends that those grantees that do not have Automatic Indicators at the expiration of the grant cycle be evaluated on a second tier of indicators: Key Quality Indicators. Key Quality Indicators would be minor infractions found in the yearly monitoring reviews and the Program Information Report (PIR). The evaluation system would assess weighted scores for each minor infraction that would then be used to evaluate the grantee. Grantees with the highest aggregated number of points would be subject to re-competition.

Beyond noting the indicators that the re-designation process will rely on to evaluate grantees, a clear and specific statement of what constitutes quality is needed. This can be

in the form of a floor (as the Committee indicated it will use) or a ceiling, but either way it should clearly identify the Committee's conception of the experience children should minimally (or maximally) have in a Head Start program. Any indicators that do not fall within that statement should be excluded.

The Committee estimates that under the new system, the threshold at which programs not providing high-quality services should compete will be 15-20% of all grantees. CYS has several concerns with this approach. First, it is a relative measure not an absolute measure—it guarantees a certain percentage of grantees will be at the threshold for re-competition irrespective of quality. Second, it has the potential to punish or terminate up to 1/5 of all programs instead of aiding struggling programs with additional training or technical assistance.

2. A re-designation process should fairly account for the uniqueness “super-grantees”

CYS is concerned that a scoring system that compares grantees per infraction instead of on a per-center basis will unfairly penalize “super-grantees” while potentially enabling poorly performing small grantees to never meet the threshold of re-competition.

If Key Quality Indicators scoring is based on aggregated points, it is inevitable that a grantee operating many centers will have more total points than a grantee with fewer centers. For example, CYS administers Head Start programs at over 400 locations. While we work closely with our Program Officer at our Regional Head Start Office and with each of our agencies to avoid and address non-compliances, it is virtually impossible with as many sites as we have to eliminate non-compliances altogether.

It is plausible to think that a grantee with 100 centers could potentially have 25 areas of non-compliance over the course of 5 years – an average of 0.05 non-compliances per center annually – and be assessed a score of 25. Conversely, a Head Start grantee that operates only one center could have 20 areas of non-compliance over the same five years – an average of 4 non-compliances per center annually – but receive a lower score if there is no per-center averaging. That single center grantee would potentially not have to re-compete despite a significantly inferior overall performance record because the 20 incidents occurred all at one center. Obviously the grantee with significantly fewer incidents per center is the higher performer, but the scoring system proposed by the Committee does not take into consideration incidents per center and will unfairly require re-competition for many super-grantees while permitting many poorly performing small grantees to automatically renew their grants. Averaging points on a per-center basis would produce a more uniform, valid, and fair measure of a grantee's overall compliance with Head Start performance standards.

Head Start has set a precedent for differentiated evaluation procedures for re-designation of grantees. Sec. 641(c)(7)(A)(iii) of the Head Start Act provides a separated process for “Indian Head Start [Agencies].” If an Indian program is deemed to not be delivering a high-quality and comprehensive program, the Secretary of HHS must first engage in government-to-government consultation with the tribal government to establish a plan to improve quality. The plan must be implemented within 6 months of the determination by OHS. Six months later, HHS must reevaluate the performance of the Indian grantee and if the grantee is still not delivering a high-quality program, competition will occur.

We believe new re-designation procedures should not only accommodate the specific needs of Indian Head Start agencies, but those of super-grantees, as well. The current

recommendations from the Committee, however, do not address super-grantees specifically. The use of a scoring system that is on a per-center basis instead of on a per-infraction basis could be an appropriate way to begin to accommodate super-grantees.

3. The periodicity of the new re-designation process should be articulated clearly.

The Committee has made it clear it intends for the re-designation process to occur during the fourth year of a 5-year grant. It has also indicated that the adoption of this new process will be staggered. Staggering the entrance of grantees to this process, however, does not resolve the outstanding timing questions. The Committee has not made it clear how the periodicity of the triennial reviews will mesh with the 5-year re-competitions review (in the 4th year of a 5-year grant). Will a grantee undergo a triennial review in year three and the re-designation review in year four? Which deficiencies of non-compliances (from which grant cycle, which year, etc.) will be included in the re-designation process?

The aggregate success of the Head Start program is ultimately reliant upon the quality of every classroom throughout the country. As a grantee committed to ensuring our most vulnerable children have an equal start in life, we think it is imperative that every Head Start classroom be expected to meet an ambitious standard for quality. We applaud the Committee for undertaking the difficult task of designation of system to maintain quality among a diverse array of grantees across a massive geographic scale. However, we want to make sure that the process designed accounts for the diversity of Head Start program needs and realities. Additionally, we feel the Committee has the opportunity to set a definitive standard for what is a high quality and what is a low quality program. Unfortunately, we do not believe a list of PIR indicators and monitoring findings constitutes a clear definition. While we support the aim and intention of Committee, we encourage the Committee to reexamine the proposed system, striving for great clarity and greater responsiveness to the different program models in Head Start.



CHARTER

Secretary's Advisory Committee on Re-Designation of Head Start Grantees

Purpose

The Improving Head Start for School Readiness Act of 2007 requires the Secretary to develop a system for designation renewal to determine if Head Start agencies are delivering high-quality and comprehensive Head Start programs that meet the educational, health, nutritional, and social needs of the children and families they serve, and meet program and financial management requirements and the program performance standards.

Authority

Section 641(c)(2) [42 U.S.C. 9836] of the Improving Head Start for School Readiness Act of 2007 (Public Law 110-134).

Function

The Advisory Committee on Re-Designation of Head Start Grantees shall provide advice and recommendations on the development of a transparent, reliable and valid system for designation renewal developed by the seven-person Expert Panel required under the statute.

Structure

The Advisory Committee shall consist of seven Expert Panel members and a Chair appointed by the Secretary. Of those members, one member shall have demonstrated competency, as evidenced by training, expertise and experience in early childhood program accreditation. One Expert Panel member shall have demonstrated competency, as evidenced by training, expertise and experience in research on early childhood development. One Expert Panel member shall have demonstrated competency, as evidenced by training, expertise and experience in governance and finance of nonprofit organizations. One Expert Panel member shall have demonstrated competency, as evidenced by training, expertise and experience in delivery of services to populations of children with special needs and their families. One Expert Panel member shall have demonstrated competency, as evidenced by training, expertise and experience in assessment and evaluation of programs serving young children. One Expert Panel member shall be an employee of the Office of Head Start. One Expert Panel member shall be an executive director of a Head Start agency.

The function of the seven Expert Panel members is to make recommendations to the Secretary on the development of a transparent, reliable, and valid system for designation renewal, as required by the statute. The function of the Chair is to facilitate the work of the seven Expert Panel members.

A member of the Advisory Committee shall be appointed for a term of two years.

A vacancy on the Advisory Committee shall be filled in the manner in which the original appointment was made and shall be subject to any conditions that applied with respect to the original appointment. An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

Ad hoc subcommittees composed of selected members of the entire Advisory Committee may be established with the approval of the Secretary of HHS or his designee to perform specific functions within the Advisory Committee's jurisdiction.

Any vacancy in the Advisory Committee shall not affect its power to function.

Management and staff shall be provided by the Office of Head Start program staff and contractors of the Administration for Children and Families.

Meetings

Meetings shall be held up to three times at the call of the Designated Federal Official (DFO) who shall also approve the agenda. The DFO or another authorized Federal official to whom authority has been delegated shall be present at all meetings.

Meetings shall be open to the public except as determined otherwise by the Secretary or designee to whom the authority has been delegated, in accordance with the Government in the Sunshine Act (5 U.S.C. 522b(c)) and the Federal Advisory Committee Act. Notice of all meetings shall be given to the public.

Meetings shall be conducted, and records of the proceedings kept, as required by applicable laws and Departmental regulations.

Compensation

Members who are not Federal employees shall be paid an honoraria at the rate of \$200 per day, plus per diem and travel expenses in accordance with Standard Government Travel Regulations.

Annual Cost Estimate

Estimated annual cost for operating the Committee, including compensation and travel expenses for members, but excluding staff support, is \$86,149. Estimated annual person-years of staff support required is .25 FTE, at an estimated annual cost of \$25,804.

Reports

The Advisory Committee shall prepare and submit to the Secretary a report no later than nine months after it is first convened that provides the Committee's recommendations for a system for re-designation of Head Start grantees. The report will include recommendations on a proposed system for designation renewal that takes into account (1) annual budget and fiscal management data; (2) program reviews conducted under section 641A(c); (3) annual audits required under section 647; (4) classroom quality as measured under section 641A(c)(2)(F); and (5) Program Information Reports to evaluate whether a Head Start agency is fulfilling its mission to deliver a high-quality and comprehensive Head Start program, including adequately meeting its governance, legal and financial management requirements.

In the event that a portion of a meeting is closed to the public, as determined by the Secretary, HHS, in accordance with the Government in the Sunshine Act (5 U.S.C. 522b(c)) and the Federal Advisory Committee Act, a report shall be prepared that shall contain, as a minimum, a list of members and their business addresses, the committee activities, and recommendations made during the fiscal year. A copy of the report shall be provided to the Department Committee Management Office.

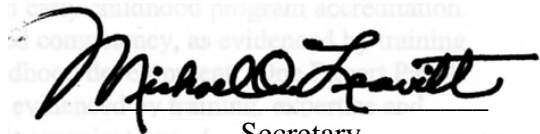
Termination Date

Unless renewed by appropriate action prior to its expiration, the Advisory Committee on Re-Designation of Head Start Grantees will terminate two years from the date the charter is filed.

Approved:

JAN - 8 2008

Date



Secretary

CHARTER FILING DATE 1/8/08

Members of the Secretary's Advisory Committee on Re-Designation of Head Start Grantees

Expert in Early Childhood Program Accreditation

Jerlean E. Daniel, Ph.D.

Deputy Executive Director

National Association for the Education of Young Children

Dr. Jerlean Daniel is Deputy Executive Director of the National Association for the Education of Young Children (NAEYC), the nation's largest organization of early care and education professionals committed to enhancing the quality of programs for children from birth through age eight. NAEYC has approximately 100,000 members and a national network of 350 regional, state and local affiliates. Prior to joining the NAEYC staff, Dr. Daniel previously served as Chair of Psychology in Education and Associate Professor in the Applied Developmental Psychology Program, in the School of Education at the University of Pittsburgh. Dr. Daniel was a child care center director for 18 years. While she has served on numerous national boards, Dr. Daniel has also been active in her local community, including serving as past chairs of the Early Head Start Advisory Committee and the Allegheny County Early Childhood Initiative.

Research on Early Childhood Development

Ron Haskins, Ph.D.

Senior Fellow

Brookings Institute

Ron Haskins is a senior fellow in the Economic Studies Program and co-director of the Center on Children and Families at the Brookings Institution and senior consultant at the Annie E. Casey Foundation in Baltimore. He is the author of *Work Over Welfare: The Inside Story of the 1996 Welfare Reform Law* (Brookings, 2006). Haskins is a Senior Editor of *The Future of Children*, a journal on policy issues that affect children and families. In 2002, he was the Senior Advisor to the President for Welfare Policy at the White House. Prior to joining Brookings and Casey, Dr. Haskins spent 14 years on the staff of the House Ways and Means Human Resources Subcommittee, first as welfare counsel to the Republican staff, then as the subcommittee's staff director. From 1981-1985, he was a senior researcher at the Frank Porter Graham Child Development Center at the University of North Carolina, Chapel Hill.

Governance and Finance of Non-profit Organizations

Craig Stewart, Ed.D.

President

Apex Foundation

Dr. Stewart is a trustee and president of the Apex Foundation, a private family philanthropic fund for Bruce and Jolene McCaw that focuses its giving primarily to help children and families reach their highest potential. Medical research, particularly Alzheimer's, infant brain development, neuromuscular disease, heart disease, and cancer are high priorities. In addition, he currently serves on the boards of the Shawnigan Lake School, 10-99 Foundation, St. Thomas School, and Talaris Research Institute. Following military service, Dr. Stewart began development work at Lewis University in Lockport, Illinois, where he worked in the late sixties and early seventies as vice president for University Relations. He has served as chief development officer at Regis University in Denver, Colorado and Loomis Chaffee School in Windsor, Connecticut. He was director of development at Lakeside School from 1986 to 1996. During that period he advised a number of nonprofit institutions, particularly in the area of development planning and major gift fundraising. Dr. Stewart continues to advise a number of organizations on governance, strategic planning, and funding issues. He recently co-authored a book on trusteeship with William Golding, titled *Inside the Nonprofit Boardroom*. A graduate of Middlebury College in Vermont, he received his Bachelor of Arts in political science, followed by his Master's degree in ethnic studies from Governors State University in Illinois and an Ed.D. in education from Western Colorado.

Children with Special Needs and their Families

Mark S. Innocenti, Ph.D.

Associate Director

Early Intervention Research Institute

Center for Persons with Disabilities

Utah State University

Dr. Innocenti is Associate Director of the Early Intervention Research Institute and Assistant Director of the Research and Evaluation Division at the Center for Persons with Disabilities, a University Center for Excellence in Developmental Disabilities. Dr. Innocenti has more than 25 years of experience working with infants and young children at-risk, as well as with disabilities, and their families through multiple research and model demonstration projects. Research projects have examined various aspects of intervention and outcomes for families and children in early intervention in Head Start and in "at-risk" environments. He is currently the Past President for the Division for Early Childhood (DEC) of the Council for Exceptional Children (CEC) and Past-President of the Interdisciplinary Council of the Association of University Centers on Disabilities (AUCD). Dr. Innocenti was also a mid-career fellow with Zero to Three from 1999-2000.

Assessment and Evaluation of Programs Serving Young Children

John W. Fantuzzo, Ph.D.

Albert M. Greenfield Professor of Human Relations

University of Pennsylvania

Graduate School of Education

Dr. Fantuzzo is the Albert M. Greenfield Professor of Human Relations at the University of Pennsylvania. He has worked closely with Head Start for more than 20 years, conducting landmark studies on the impact of violence and early adjustment problems on school readiness and early school success and recent work on new strategies to enhance the school readiness of low-income, urban preschoolers. Dr. Fantuzzo is being nominated for the position of an expert in assessment and evaluation of programs for young children.

Executive Director of a Head Start Agency

Blanca Estela Enríquez, Ph.D.

Executive Director, Head Start Program

Education Service Center - Region 19

Blanca Estela Enriquez has been Associate Executive Director of the Education Service Center Head Start program since 1986. During that time, the program has grown from 1200 preschoolers at 11 sites to more than 4000 children at 31 sites and has won many state and national awards. Under her leadership, the Head Start Program has earned Exemplary ratings on Federal reviews for three consecutive evaluations. Dr. Enriquez serves on a ten -person advisory board for the National Institute for Literacy. Nominated by President Bush, the appointment was confirmed by the U.S. Senate. She also served as Vice President of the Texas Head Start Association, is a founding member of Latinas 100, and belongs to the National Association for the Education of Children, International Reading Association, the Texas and National Associations for Bilingual Education and the Association for Supervision and Curriculum Development, among other groups. She holds a Master's of Education degree from the University of Texas at El Paso and a doctorate degree from New Mexico State University in Las Cruces.

Employee of the Office of Head Start

Patricia Brown (Ex-officio Member)

Acting Director

Office of Head Start

Pat Brown was appointed the Acting Director for the Office of Head Start in September 2007. Prior to leading the national OHS, she had just been appointed as the Regional Administrator for the Region VII Office of the Administration for Children and Families (ACF). She has more than 33 years of experience in working with children and family well-being issues at both the state and Federal levels. She worked 18 years for the Missouri Department of Social Services as the Child Welfare Administrator in the Kansas City Office. She began her career with ACF as a Child Welfare Specialist in 1993 and was later promoted to several positions including the Director of the Office of State and Tribal Programs (responsibility for Child Welfare, Child Care, TANF, Developmental Disabilities, Child Support Enforcement and Tribal programs), Director of the Office for Community Operations (Head Start and Run Away Homeless Youth programs) and Head Start Regional Program Manager after ACF's re-organization in October, 2006. Pat implemented a risk management model for Head Start programs in Region VII as a response to the GAO's concern about accountability and transparency.