Foundations for families

Promoting excellence in early childhood education to support families and strengthen communities.
WELCOME

2017 Region V Head Start Conference
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DRS: What is it and How to Avoid it!

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Foundation for Families is a woman-owned consulting, training and technical assistance company that provides services to the birth to eight early education and care community.

**What We Do?**
1. Organizational Development Consulting
2. Grant Writing
3. Head Start/Early Head Start Consulting
4. Training and Professional Development
5. Community Child Care Consulting

**Where Do We Work?**

**How Can We Help?**
- Community Assessment & Wage Studies
- DRS response and risk mitigation
- Fiscal Consulting
- Governance training
- HSPPS training and compliance
- Monitoring preparation and response to findings
- Program design
- Proposal writing
- Professional development and coaching
- Start-up implementation
- Strategic assessment of program capacity, capability and potential
Workshop Objectives

DRS strikes fear in the hearts of HS/EHS administrators. It is time consuming, expensive and hard on your reputation. What is DRS? How can you minimize your risk? If that doesn’t work, how can you minimize the drain on energy, money and reputation?

1. **Understand, at a basic level, the designation renewal system and what it means to an agency.**

2. **Learn seven ways to reduce risk of landing on the DRS list.**

3. **Understand how to manage cost, energy and reputation while responding to DRS.**

4. **Activity: Top Ten Ways to Respond to the DRS FOA**

5. **Discussion, questions and answers**
DRS:
Designation Renewal System
DRS

• Background
• Rulemaking Timeline
• Seven Triggers
• CLASS
• Implementation of DRS Final Rule: Cohorts 1-5
• DRS Funding Opportunity Announcements
Since inception in 1965, Head Start grantees awarded indefinite duration grants.

Head Start Act in 2007, Congress required designation renewal system (DRS) to determine high-quality and comprehensive programs:

- Annual budget and fiscal management data;
- Program reviews
- Annual audits required
- Classroom quality
- Program Information Reports

Congress intended for DRS to facilitate designation of grantees in good standing and providing high-quality services for a period of five years;

And

Grantees not delivering high-quality and comprehensive services to enter open competition.
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2007 - Head Start reauthorization directed HHS to establish DRS that integrates recommendations of expert panel to develop a **transparent, reliable, and valid system**.

2008 - The Advisory Committee, or the expert panel, issued Report with findings and recommendations. The Advisory Committee recommended a **system based on “automatic indicators” and “key quality indicators.”**

2010 - HHS published proposed rule on DRS for public comment and received over **16,000 comments**.

2011 - The final rule on DRS published in Federal Register on November 9, 2011.

2011- The final rule on DRS effective December 9, 2011.
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Triggers - Devil In The Details

1. **Deficiency** – a systemic or substantial material failure of an agency in an area of performance
2. Failure to establish and take steps to achieve **school readiness goals**
3. **Low Classroom Assessment Scoring System (CLASS®)** score
   a. Score below a minimum threshold
   b. Score in the lowest 10% of the year
4. **License revocation**
5. **Suspension**
6. **Debarment** – debarment from any federal or state funds or disqualified from Child and Adult Care Food Program
7. **Going Concern** – audit finding of being at risk of failing to continue functioning as a going concern
“Deficiency” per Head Start Act

A systemic or substantial material failure of an agency in an area of performance that the Secretary determines involves:

- a **threat to the health, safety, or civil rights** of children or staff;
- a **denial to parents** of the exercise of their full roles and responsibilities related to program operations;
- a **failure to comply with standards** related to early childhood development and health services, family and community partnerships, or program design and management;
- the **misuse of funds** received under this subchapter; - **loss of legal status** or **financial viability**, **loss of permits, debarment** from receiving Federal grants or contracts, or the improper use of Federal funds; or
- **failure to meet any other Federal or State requirement** that the agency has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified;
- **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**.
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Why CLASS?

• The Head Start Act required OHS use in monitoring review process “a valid and reliable research-based observational instrument… that assesses classroom quality, including assessing multiple dimensions of teacher-child interactions….”

• Leading early childhood experts agreed CLASS® Pre-K only instrument met statutory requirements.

• CLASS®: observational tool assesses quality of teacher-child interactions that support children’s learning and development in center-based preschool programs.
CLASS DRS Triggers

• If a grant scored below a minimum threshold or if grant scored in lowest 10% of all grants reviewed in same year for any CLASS® domain.
  • The minimum thresholds are static; they did not change at any time.
  • 4 - Emotional Support, 3 - Classroom Organization, 2 - Instructional Support.

• Score of 6 or above is considered the standard of excellence. Even if the grantee’s score falls in lowest 10% of year in any domain, CLASS® condition cannot trigger competition if that score is a 6 or above.

• In effect, the CLASS® condition would become obsolete for a given domain if all grants scored a 6 or above in that domain. This point has not been reached, but some grants were scoring within the standard of excellence in Emotional Support and Classroom Organization based on an analysis of data in 2014.
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COHORT 1 (129)
- DRS notification letters on December 15, 2011
- Winners announced July 2013

COHORT 2 (125)
- DRS notification letters sent on January 14, 2013
- Winners announced July 2014

COHORT 3 (103)
- DRS notification letters sent on February 3, 2014
- Winner announced July 2015

COHORT 4 (90)
- DRS notification letters sent on December 10, 2014
- Winners announced July 2016

COHORT 5 (12 grantees)
- DRS notification letters sent on May 26, 2016
18 Month Timeline

• Each cohort took about 18 months from when DRS letters were sent to when 5-year grant awards made. Of which:
  • 11 months for competitive process
    • at least 2 months for Funding Opportunity Announcement
    • 9 months to evaluate all applications, hold pre-award discussions, and issue a notice of award on July.

• When a grant required to compete, opportunity to provide Head Start services in service area made available to any interested agency that submitted a competitive application in response to a Funding Opportunity Announcement (FOA).
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FOA – 6 Core Criteria

1. Demonstration of Need
2. Achieving Early Learning and Development Outcomes to Promote School Readiness for Children
3. Past Performance
4. Staffing and Supporting a Strong Early Learning Workforce
5. Organizational Capacity and Governance
6. Budget and Budget Justification

AND
• A financial review – Phase II section
What is your feeling about DRS?
How do/would you talk to staff about it?
What about community partners or elected officials?
Seven Triggers: Reduce Your Risk
Condition #1: Deficiency

• A systemic or substantial material failure of an agency in an area of performance.
How does your agency reduce the risk of deficiency?
Also, to reduce the risk of deficiency:

• Ensure strength of management and monitoring systems
• Nurture a culture of performance that rests on compliance
• Train childcare partners on operational definitions of deficiencies
As you know...

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<tr>
<th>Goals</th>
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<td>Outcomes</td>
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**Compliance** supports goals, objectives, outcomes and impact
Condition #2: School Readiness Goals

• Failure to establish and take steps to achieve school readiness goals.
How does your agency reduce the risk associated with school readiness goals?
Also, to reduce the risk associated with school readiness:

- Named school readiness committee
- Policies and procedures
- Five year and annual calendars include reviewing and updating goals
- Collaborate with other agencies to establish external accountability
- Plan carefully with child care partners so their goals are in place at the end of the 18 month start up period
Condition #3: CLASS

• Low CLASS scores:
  • Below the minimum threshold
  • Score in the lowest 10% in the year
How does your agency maintain high CLASS scores?
Also, to reduce the risk of low CLASS scores:

• Teacher Mentors/Coaches
• CLASS training
• Targeted training for substitute pool participants
• Minimize call-outs or annual leave during reviews/CLASS observations
• Conduct many practice CLASS observations with child care partners so they are comfortable and performing appropriately prior to the end of the 18 month start up period
Condition #4: License Revocation

• Loss of operating license, usually at the center level.
How does your agency reduce the risk of losing its license
Also, to reduce the risk of losing a license:

- Ensure strength of management and monitoring systems
- Nurture a culture of performance that rests on compliance
- Include licensing standards in the ongoing monitoring of child care partners
Condition #5: Suspension

• OHS suspends an agency’s operation of the program or the operation of a component of the program
How does your agency reduce the risk of suspension?
Also, to reduce the risk of suspension:

• Ensure strength of management, governance, and monitoring, reporting and evaluation systems especially of any “findings”
• Nurture a culture of performance that rests on compliance
Condition #6: Debarment

• Debarment from any federal or state fund or disqualification for the Child and Adult Food Program
How does your agency reduce the risk of debarment?
Also, to reduce the risk of debarment:

• Ensure strength of fiscal systems and fiscal monitoring
• Nurture a culture of performance that rests on compliance
• Include targeting monitoring of child care partner’s fiscal systems, especially as related to CACFP
Condition #7: Going Concern

• Audit finding of being at risk of failing to continue functioning as a going concern
How does your agency reduce the risk of failing to continue as a going concern?
Also, to reduce the risk of failing to continue as a going concern:

• Ensure strength of fiscal systems and fiscal monitoring
• Nurture a culture of performance that rests on compliance
• Identify what it would look like if your child care partner was approaching this state (about to go out of business) and capture that in the agreement so you can terminate the relationship before it triggers DRS for your agency.
Manage Cost, Energy and Reputation
DRS can be expensive so manage costs wisely.

- Consider a grant writer or grant writing coach.
- Invest in a strategic planning session to confirm your approach, program design and fiscal strategy are competitive.
- Play to your team’s strength.
DRS can drain your energy so be intentional about preserving the strength and attitude of your team.

• Communicate often and clearly.
  • Get out in front of this and own the narrative. If you don’t, it will take on a life of its own.

• Shift your perspective and help others’ shift theirs, too.
  • *Every* applicant we’ve worked with reports that the DRS process resulted in improvements of some sort.

• Talk to teachers and families immediately.
  • *If you don’t answer questions, people will find answers (sometimes true, often not).*

• Management staff already had full time jobs.
  • Nothing goes away while you/they work on this challenging proposal.
DRS can damage your reputation so prepare a crisis communication plan.

1. Anticipate DRS
2. Identify Your DRS Communications Team
3. Identify Spokespeople
4. Train Spokespeople
5. Identify Key Stakeholders
6. Develop Responsive Talking Points for Stakeholders
7. Adapt Messages as the Process Unfolds
8. Create Time to Reflect When it is Over
Activity: Top Ten Ways to Respond Effectively to the DRS FOA
10 Ways to Respond Effectively to the DRS FOA

1. Make sure you know when the Funding Opportunity Announcement (FOA) is available.

2. Recognize it when you see it.

3. Be ready to upload application when it is ready.

4. Assign someone to be responsible for the pre-FOA activity.

5. Assign people to be responsible for key roles during grant writing period.

6. Confirm your program design.

7. Create real start-up and on-going budgets with a realistic provider payment rate.

8. Identify what you do really well to support children and families.

9. Identify what changes in your program design or approach that could help you do even better to support children and families.

10. Obtain the necessary permission to apply for these funds.
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✓ 1. Sign up for email notifications on the ACF forecast.
✓ 2. Download an application from Cohort 4 or 5 and study the criteria categories.
✓ 3. Register at grants.gov, confirm DUNS, appoint AOR and POC, check SPOC.
✓ 4. Detail oriented person with enough seniority to get things done.
✓ 5. Consider personalities, strengths, seniority and grace when you assign these key roles.
✓ 6. Convene a program design strategic planning session and commit to coming to resolution.
✓ 7. Develop realistic, comprehensive budgets for grantee and partners linked to program design and goals.
✓ 8. Begin the conversation with potential partners this week.
✓ 9. Create a communications plan with each necessary community member.
✓ 10. Put the Policy Council and Governing Board’s May and June meetings on your calendar. Schedule conversations now.
Reflection

1. What did you hear that affirmed your current practices or challenged you to think outside the box?
2. What are your key take-away messages?
3. Are there red flags or challenges your program needs to address?
4. How will you adapt your practices to fully integrate your take-aways?
5. What are your immediate action steps?
# Action Plan

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**Notes:**
Question and Answers
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Thank you for coming!