

Race to the Top – Early Learning Challenge

2015 ANNUAL PERFORMANCE REPORT



JUNE 2016





**Race to the Top - Early Learning Challenge
Annual Performance Report
CFDA Number: 84.412**

Michigan

2015

Due: February 29, 2016

U.S. Department of Education
Washington, DC 20202
OMB Number: 1810-0713
Expiration Date: December 31, 2016

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0713. The time required to complete this information collection is estimated to average 120 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, 400 Maryland Ave., SW, Washington, DC 20210-4537 or email ICDocketMgr@ed.gov and reference the OMB Control Number 1810-0713. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Race to the Top-Early Learning Challenge, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E320, Washington, DC 20202-6200.



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General Information

1. PR/Award#: 412A130044

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Reporting Period Information

5. Reporting Period: From: 01/01/2015 To: 12/31/2015

Indirect Cost Information

6. Indirect Costs

- a. Are you claiming indirect costs under this grant? Yes No
- b. If yes, do you have an Indirect Cost Rate Agreement(s) approved by the Federal Government? Yes No
- c. If yes, provide the following information:

Period Covered by the Indirect Cost Rate Agreement(s): From: 10/01/2014 To: 09/30/2015

Approving Federal agency: ED HHS Other Specify other: _____

(Submit current indirect cost rate agreement with this report.)

Executive Summary

For the reporting year, please provide a summary of your State's (1) accomplishments, (2) lessons learned, (3) challenges, and (4) strategies you will implement to address those challenges.

Strengthened investment in high-quality early learning and development continues to energize educational improvement efforts in Michigan. From the governor's office and the legislature to local providers, business leaders, schools, and families, people are deeply committed to improving opportunities for young children with high needs in Michigan. In 2013, the Michigan Department of Education, Office of Great Start (MDE-OGS) held conversations with 1,400 parents of young children, educators, business leaders, and local and state program directors to inform development of a statewide plan to achieve Governor Snyder's stated outcomes for young children:

- Children are born healthy.
- Children are healthy, thriving, and developmentally on track from birth to third grade.
- Children are developmentally ready to succeed in school at the time of school entry.
- Children are prepared to succeed in fourth grade and beyond by reading proficiently at the end of third grade.

The resulting publication, entitled "Great Start, Great Investment, Great Future: The Plan for Early Learning and Development in Michigan," illustrates that Michigan's citizens recognize the vital foundation that a system rich in parent involvement, community and state collaboration, and high-quality accessible early learning and development programs can provide for our youngest citizens.

Drawing from the guiding principles of this plan and with the identified outcomes for young children as a focal point, in 2013 Michigan submitted a comprehensive application for a Race to the Top-Early Learning Challenge (RTT-ELC) competitive federal grant. As a result, Michigan was awarded \$51,737,456 for the purposes of improving early learning and development in the state over a period of four years, beginning January 2014 and ending December 2017. The grant is focused on the improvement of early childhood systems through: increasing access to high-quality programs for children with high needs; implementing and coordinating an integrated system of programs; and evaluating and rating program quality.

The Michigan Department of Education, Office of Great Start was identified as the lead agency for RTT-ELC implementation in the grant application. Michigan has prioritized its work into seven projects for improving early childhood outcomes for all children. These projects are designed to support the creation of a truly collaborative system of early learning and development - one that requires the collective efforts of policymakers, program directors, providers, and parents. The projects are as follows:

1. Grant Management and Governance;
2. Improving Quality through Increased Participation in Great Start to Quality;
3. Promotion of Physical and Social-Emotional Health;
4. Enhancing and Increasing Access to the Great Start to Quality System;
5. Improving the Early Learning and Development Workforce;
6. Measuring Outcomes for Children, Programs, & Educators; and
7. Increasing Family Engagement.

To execute these projects effectively, Michigan's RTT-ELC initiative involves the following key partners: the Early Childhood Investment Corporation (ECIC); Michigan Department of Health and Human Services (MDHHS); the Center for Educational Performance and Information (CEPI) within the Michigan Department of Technology, Management and Budget; and the Michigan Association for the Education of Young Children (MiAEOYC). (Note that the Michigan Department of Community Health and the Michigan Department of Human Services merged in 2015 to become the Michigan Department of Health and Human Services as described in the "Governance Structure" portion of this report.)

Through the various activities and initiatives within the seven RTT-ELC projects, we are striving to meet the following goals:

1. Increase access for children with high needs to high-quality early learning programs;
2. Increase opportunities for licensed and unlicensed home-based providers to improve the quality of their programs;
3. Ensure meaningful engagement of families in their children's early learning and development;
4. Promote children's physical, social, and emotional health;
5. Expand education and professional learning opportunities, especially for home-based providers;
6. Build an early learning data system that provides information (anonymously and in aggregate) on children across departments and programs.

Building upon the foundation that was established during the first year of Michigan's Race to the Top-Early Learning Challenge, the Grant Implementation Group convened on a bi-monthly basis and monitoring meetings with individual RTT-ELC partners were held monthly. This infrastructure allowed for significant traction on activities within each of Michigan's seven projects. Michigan's RTT-ELC Year 2 early learning developments, accomplishments, and challenges are organized by the five key areas defined by the federal RTT-ELC competition:

1. Establishing Successful State Systems

In establishing the Office of Great Start (OGS) in 2011, Governor Snyder laid out OGS's charge to (a) align, consolidate, and/or integrate early childhood funding and related programs around the state's early childhood outcomes, and (b) coordinate the state's policy, budget, and programs for early childhood. As such, OGS coordinates and aligns the state's early learning and development investments for children with high needs in close and regular collaboration with senior staff from MDHHS and ECIC to work toward achievement of our early childhood outcomes. OGS oversees the ECIC's implementation of our tiered quality rating and improvement system. OGS also partners with Michigan's intermediate school districts (ISDs) to ensure coordination between state level early childhood efforts and that of local early childhood collaborative bodies and parent coalitions, with the goal of balancing both local and state perspectives in decision making, accountability, and policy.

Through RTT-ELC initiatives, Michigan works to further strengthen this coordination and collaboration both across partner agencies and across state and local networks.

The progress made toward these efforts in Year 2 includes:

- Convening of the RTT-ELC Grant Implementation Group, inclusive of representation from partner organizations;
- Hiring a lead staff within MDHHS;

- Hiring two Contract Managers to provide direct oversight to the scope of work and budget for individual grant partners;
- Obtaining local and stakeholder input/involvement for a number of RTT-ELC initiatives;
- Convening members of the Office of Great Start Advisory Council to help identify and define policy issues, use local experiences to improve state policy, and identify how best to communicate with key stakeholders across OGS initiatives, including RTT-ELC;
- Finalizing and implementing a robust communication plan to effectively engage and inform all RTT-ELC partners and stakeholders.

2. Promoting Early Learning and Development Outcomes for Children

Michigan is committed to ensuring that children with high needs have greater access to high quality early learning programs, wherever such programs are delivered. Great Start to Quality (GSQ), our tiered Quality Rating and Improvement System, is essential to achieving that goal. Through RTT-ELC, Michigan will develop and implement effective strategies for improving the quality of early learning programs by increasing participation in Great Start to Quality. Michigan's first goal for this RTT-ELC reform area is to significantly increase access to high-quality early learning and development programs for children with high needs. In Michigan, center-based early learning programs and group homes are licensed, home-based providers are registered and individuals who enroll to care for children eligible for child care subsidies are considered unlicensed, subsidized. The specific strategies and related outcomes associated with this goal include:

- Increase unlicensed provider participation in GSQ by providing training and consultation to support quality improvement of unlicensed providers;
- Increase home-based provider participation in GSQ in target communities through placement of regional Quality Improvement Specialists offering outreach and individualized technical assistance;
- Increase licensed provider participation in GSQ through participation bonuses targeted toward providers serving families at or below 185% of the federal poverty level;
- Increase licensed provider participation in GSQ through targeted offering of Quality Improvement Grants;
- Support licensing consultants to become ambassadors for GSQ.

The progress made toward these efforts in Year 2 includes:

- Implementation of the unlicensed, subsidized provider cohort project resulting in participation of 41 unlicensed, subsidized providers, 21 of whom completed Level 2, 19 began level 3, and 11 expressed interest in pursuing full licensure with the State of Michigan;
- Execution of contracts for Great Start to Quality Resource Centers in targeted RTT-ELC communities to increase participation for family/group home providers;
- Conducting a pilot of the GSQ participation incentives, including obtaining stakeholder feedback to inform full implementation for Year 3;
- Providing licensing consultants with access to Great Start to Quality STARS platform

- Michigan's online platform where providers receive their star rating;

- Finalizing implementation plans for the Quality Improvement Grants, also designed to increase participation of licensed/registered providers in GSQ.

Michigan's second goal for this RTT-ELC reform area is to realize an early learning and development system with improved access for families and children to high-quality early learning programs and services. The specific strategies and related outcomes associated with this goal include:

- Encourage participation of tribal and early childhood special education programs (Early Childhood Special Education/Section 619) in GSQ through system enhancements and stronger relationships with these programs;
- Streamline program monitoring efforts to allow licensing consultants to increase focus on improving program quality;
- Increase access to high-quality early learning and care programs in Pathways to Potential communities by providing scholarships (Pathways to Potential is a community-based approach placing Michigan Department of Health and Human Services employees in schools where high numbers of families are already receiving assistance through the department. The Pathways approach targets five outcome areas: attendance, education, health, safety, and self-sufficiency. It also relies on a number of support networks and partnerships that assist children and families to succeed.);
- Conduct outreach to families in Pathways to Potential communities to increase the percentage of families accessing high-quality early learning and development programs.

The progress made toward these efforts in Year 2 includes:

- Identification of a contractor for developing key indicators for child care licensing;
- Hiring of a MDHHS Departmental Specialist position to provide critical support and assistance administering departmental responsibilities relating to RTT-ELC and to connect and align early childhood funding and programs across departments;
- Obtaining technical assistance for establishing a model for child care scholarships in Michigan;
- Identification of existing opportunities for outreach and engagement of tribal programs to encourage participation in GSQ;
- Convening a work group to engage early childhood special education programs in GSQ.

Michigan is implementing a strategy to promote early learning and development outcomes for children by expanding and improving efforts to engage families in meaningful ways and support their development as leaders for their own children and communities. Efforts will focus on increasing family access to skill development resources designed to promote the physical, social, and emotional health of their children. Therefore, Michigan's third goal for this RTT-ELC reform area is to invest in family engagement and education strategies designed to increase access to high-quality early learning programs with an emphasis in Pathways to Potential communities. The specific strategies and related outcomes associated with this goal include:

- Incorporate Strengthening Families Protective Factors into the GSQ program standards;
- Place Family Engagement Consultants in target communities to support parents and providers;
- Provide training modules about the GSQ Family and Community Partnerships standards;
- Assist families and providers in understanding and adopting protective factors into daily practice;
- Establish and coordinate networks of trusted advisors able to provide support to families in their local communities;
- Develop and distribute supplemental materials to support family understanding and interpretation of Kindergarten Entry Assessment data.

The progress made toward these efforts in Year 2 includes:

- Selecting a Family Engagement Specialist within the Office of Great Start to lead RTT-ELC efforts focusing on increasing family engagement, with an anticipated start date in the beginning of Year 3;
- Conducting training sessions for Pathways to Potential Success Coaches to strengthen family engagement efforts in local communities;
- Development of a model for specialized consultation for strengthening parent engagement efforts in Pathways to Potential communities.

3. Defining High-Quality, Accountable Programs

Michigan is also implementing a strategy to assist families and providers of early learning and care in supporting the healthy development and well-being of children with high needs. To accomplish this goal, Michigan is building on efforts already underway across the state to increase healthy behaviors through education and personal action. Through RTT-ELC, these efforts will increase the availability of high-quality early learning programs that meet the physical and social-emotional health needs of young children, with a focus on Pathways to Potential communities. Michigan's goal for this RTT-ELC reform area is to help create an early learning and development system that supports the physical and social-emotional development of children from birth to 8 years of age.

The specific strategies and related outcomes associated with this goal include:

- Align GSQ program standards with nationally recognized physical and social-emotional health standards;
- Develop training and technical assistance materials and supports that promote both healthy habits for families and providers, as well as developmental screening and referral procedures;
- Provide consultants to support home-based providers in meeting the physical and social-emotional health needs of young children.
- The progress made toward these efforts in Year 2 includes:
 - Convening a committee of early childhood experts, parents and providers to begin the work of aligning GSQ program standards with nationally recognized physical

and social-emotional health standards;

- Development of a model for specialized consultation to support home-based providers in meeting the physical and social-emotional health needs of young children.

4. Supporting a Strong Early Childhood Education Workforce

Research shows the positive impact of a quality early childhood educator on a child's development. Therefore, Michigan is focused on ensuring that early childhood educators have the skills and knowledge they need to be successful. While supporting early childhood educators statewide, Michigan's RTT-ELC initiatives are targeting home-based providers who serve high needs children in their programs. Michigan's goal for this RTT-ELC reform area is that every young child in Michigan has access to an effective early childhood educator by 2020. The specific strategies being implemented and related outcomes associated with this goal include:

- Expand online Child Development Associate (CDA) credential programs for early childhood educators;
- Increase the number of National Association for the Education of Young Children (NAEYC) accredited community college early learning programs;
- Expand opportunities for home-based providers to earn a degree, as well as increase the supply of staff qualified to teach in Michigan's Great Start Readiness Program (GSRP), through Teacher Education And Compensation Helps (T.E.A.C.H.) scholarships;
- Increase access to training focused on achieving GSQ standards for program administration.

The progress made toward these efforts in Year 2 include:

- Convening a cohort group of community colleges to increase online options for credit-bearing CDA training offered for a range of credits that can be obtained within one year;
- Awarding funding to eight colleges to pursue NAEYC accreditation and one college to pursue reaccreditation from NAEYC;
- Planning and implementing two Higher Education summits where the primary topic of discussion was around improving articulation agreements between community colleges and universities;
- Provision of 263 T.E.A.C.H. scholarships to eligible providers for 2015, including 146 scholarships to home-based providers and 117 scholarships to providers seeking certification to teach in GSRP.

5. Measuring Outcomes and Progress

Michigan is implementing a strategy to include data for all federal and state funded early learning programs in the Statewide Longitudinal Data System (MSLDS). This will enable the state to better understand the quality of care and education experiences of our youngest learners. Michigan will ensure that these data are also available to families, educators, researchers, and others needing access to data to support early learning improvements. Michigan's goal for this RTT-ELC reform area is to build an early learning data system that provides aggregated data across departments and programs. The

specific strategies and related outcomes associated with this goal include:

- Create a management structure that will plan, organize, regulate, and guide the collection of, access to, and use of MSLDS data;
- Improve the existing Statewide Longitudinal Data System (MSLDS) to create links to essential early childhood data elements;
- Increase access to data to improve program delivery and effectiveness, to inform resource investment and policy decisions, and to empower families to make better decisions for their children;
- Improve data collection about early childhood educators to help improve policies that impact Michigan's early childhood educators.

The progress made toward these efforts in Year 2 includes:

- Implementation of a multi-grantee pilot for establishing Unique Identification Codes (UIC) for Head Start children;
- Engagement of all of Michigan's Head Start grantee population resulting in their request for UICs with their existing capacity;
- Creation of two Early Childhood reports including "Early Childhood Count of Children Receiving Early Childhood Programs and Services" and "Count of Kindergarten Students receiving Early Childhood Programs and Services in the Prior Year" to be released on the MI School Data website in January 2016;
- Identification of a contractor to establish a Data Governance structure for Early Childhood Data in Michigan.

Year 2 Challenges:

Primary challenges in Year 2 of the grant include significant staffing changes with the turnover of both the RTT-ELC Project Manager and the RTT-ELC Administrative Assistant, as well as the merge between the Department of Community Health and Department of Human Services. The time needed for selecting and onboarding new RTT-ELC staff slowed progress on the projects. The merge resulting in the Department of Health and Human Services delayed filling the Social-Emotional Coordinator position, and the Purveyor position for the Physical Health components of the grant.

Leading into Year 3, filling the coordinator and purveyor-level positions will be a major focus, along with hiring and deploying specialized consultants in the Pathways to Potential communities.

Additional primary strategies/efforts will include:

- Establishment of Key Indicators for child care licensing;
- Implementation of the Great Start to Quality Validation Study;
- Establishment of a contract for the development and implementation of Child Care Business Trainings;
- Establishment and implementation of a model for providing child care scholarships;
- Establishment of an Early Childhood Data Governance structure;

- Hiring a Data Specialist to assist Michigan's efforts to measure outcomes and progress;
- Implementation of all aspects of Family Engagement in the RTT-ELC scope of work;
- Provision of Participation Bonuses and Quality Improvement Grants;
- Provision of T.E.A.C.H. Scholarships; and
- Establishment of a marketing campaign for increasing participation in GSQ.

Successful State Systems

Aligning and coordinating early learning and development across the State (Section A(3) of Application)

Governance Structure

Please provide any relevant information and updates related to the governance structure for the RTT-ELC State Plan (specifically, please include information on the organizational structure for managing the grant, and the governance-related roles and responsibilities of the Lead Agency, State Advisory Council, and Participating State Agencies).

Participating State Agencies responsible for the implementation of grant projects and activities have been the Michigan Department of Education (MDE), the Michigan Department of Health and Human Services (MDHHS), and the Center for Educational Performance and Information (CEPI), within the Michigan Department of Technology, Management, and Budget (DTMB). The Lead Agency for the grant continues to be MDE, with the MDE Office of Great Start leading the implementation, management, and cross-partner collaboration efforts of the grant. In addition, the Early Childhood Investment Corporation (ECIC) and Michigan Association for the Education of Young Children (MiAEYC) are participating partner organizations and have significant responsibility for implementing numerous grant activities. Representatives from all partner agencies and organizations serve on the Grant Implementation Group for the purposes of coordination, communication, and collaboration.

Michigan's established state-level governance for its early childhood systems reform work continues to provide the overarching collaborative governance necessary to reach the established goals of the RTT-ELC State Plan. That structure allowed for collaborative decision making to continue through 2015, even as significant transitions were initiated and implemented in two state agencies whose staff had partnered over the years. On February 6, 2015, Governor Snyder issued an Executive Order to reorganize the programs within the Department of Community Health and Department of Human Services, with the majority of the programs being placed into one state agency known as the Michigan Department of Health and Human Services (MDHHS). One exception to being placed in MDHHS is the state entity tasked with the registration, licensing and monitoring of child care. Their new placement in the reorganization is within Licensing and Regulatory Affairs (LARA).

The stability offered by the primary facilitation of RTT-ELC residing in the Office of Great Start (OGS) allowed work within the plan to move forward during these 2015 transitions. OGS collaborates closely and regularly with senior staff from MDHHS, CEPI, ECIC, the Child Care Licensing Division within LARA, and MiAEYC to work toward achieving Michigan's early childhood outcomes. The Great Start Systems Team contains senior state agency staff of those state agencies that report to the Governor through what is known as the People's Group; staff within those agencies with major responsibility for programs that impact the lives of young children convene on a monthly basis through the Great Start Operational Team, serving as statutorily-required advisory and/or action committees for a variety of initiatives, including as the State Advisory Committee required under RTT-ELC.

For RTT-ELC, the Grant Implementation Group meets on a quarterly basis to bring forth key issues that require enhanced coordination across systems and ensure that the projects have the cross-partner support to be successful.

Stakeholder Involvement

Describe State progress in involving representatives from Participating Programs, Early Childhood Educators or their representatives, parents and families, including parents and families of Children with High Needs, and other key stakeholders in the implementation of the activities carried out under the grant.

Michigan recognizes that coordination and collaboration in a comprehensive early learning and development system must go beyond state agencies and partner organizations to engage with key early childhood stakeholders from local communities across the state. As such, OGS established the OGS Advisory Council in October, 2014, to help identify and define policy issues, use local experiences to improve state policy, and identify how best to communicate with key stakeholders. The 18-member council is inclusive of parents, local providers, and other community leaders from diverse economic and geographic backgrounds.

The foundation for the projects and activities within RTT-ELC, *Great Start, Great Investment, Great Future: The Plan for Early Learning and Development in Michigan*, is testament to the importance of stakeholders in decisions made at the state level. Ongoing to the work, the OGS Advisory Council continues to guide and inform the implementation of the recommendations in the report, as well as system-building efforts across agencies. During 2015, specific, targeted stakeholder groups were convened for a variety of purposes, including to inform the implementation of participation bonuses for providers completing GSQ (Project 2), and explore new avenues to articulation agreements between 2-year and 4-year higher education institutions (Project 5).

Further stakeholder involvement includes the work of a Gap Analysis Committee that began meeting in Year 2 to identify gaps in the GSQ Indicators in comparison to national Stepping Stones Standards. Several programs within various agencies have representatives serving on this committee, including the OGS (Early Childhood), the ECIC, Early On (Part C of IDEA), and the MDHHS. In addition, there are three Parent Liaisons that serve on the committee from various locations across the state. One of these members is the parent of a child with special health care needs.

Pertaining to Workforce Development, several efforts on stakeholder engagement have taken place during Year 2 to inform the work of the RTT-ELC grant. For the development of the Great Start Readiness Program (GSRP) Endorsement Scholarship model, the MiAEYC convened a work group of stakeholders including representation from the OGS, Child Care Licensing, community colleges and universities, MDE, and intermediate school districts (ISD). A survey was conducted with GSRP staff to determine the workforce development needs. Additionally, feedback was sought from the Michigan Association of Intermediate School Administrators, the association of regional education agency superintendents, as the GSRP funds and programming are managed at the ISD level.

For the development of CDA online courses, community colleges were engaged in a survey to determine existing needs and interest amongst the colleges to participate in this work. Child care providers were contacted via telephone to obtain feedback on their experiences earning their CDA. What has been learned through the engagement of the community colleges and child care providers is that capacity has been built to accommodate CDA online training needs; however, filling seats in these courses has been a challenge. This feedback is crucial for informing this work moving forward.

Finally, relative to National Association for the Education of Young Children (NAEYC) accreditation, a work group of currently accredited colleges was convened in Year 2 to develop a grant application and scoring mechanism. As a result, eight community

colleges were granted funding to pursue NAEYC accreditation, and one additional community college was granted funding to pursue reaccreditation with NAEYC.

Proposed Legislation, Policies, or Executive Orders

Describe any changes or proposed changes to state legislation, budgets, policies, executive orders and the like that had or will have an impact on the RTT-ELC grant. Describe the expected impact and any anticipated changes to the RTT-ELC State Plan as a result.

As indicated in the section on Governance, Executive Order 2015-4 that formed the MDHHS and moved Child Care Licensing into LARA was a significant shift for staff who have been collaborating over the years. The staff were required to learn new reporting structures and internal expectations for procurement and hiring, pausing as there was new policy and procedures implemented. This caused a delay in the building of the personnel to implement the specialized consultants for health and social-emotional support, as well as slowing the activities designed to support those individuals. Even as these bureaucratic changes were being navigated, partners continued to meet and plan with enthusiasm toward a well-informed launch.

During the winter/spring of 2015, Governor Snyder appointed members to the Third-Grade Reading Work Group and tasked the group with analyzing reading proficiency at third grade and suggesting policy to improve the results. The report, "Third-Grade Reading Workgroup Report" (http://www.michigan.gov/documents/snyder/3rd_Grade_Reading_Workgroup_Report_490977_7.pdf), prepared by the group, outlined five strategies with specific suggestions of investments that the state should make to achieve increased proficiency. Woven throughout the report, as well as the accompanying legislation designed to begin implementation of many of the strategies, is the importance of the early foundations of literacy, with explicit expectation that there be engagement of parents/families early in a child's life. These efforts will intersect well with some of the family engagement activities within Michigan's RTT-ELC.

In April 2015, MDE was given a supplemental appropriation to make policy adjustments that continue to increase/expand access to high-quality programs for low-income families. The appropriation allowed for MDE to enact policy that provides for 12-month continuous eligibility, a graduated exit scale that allows for families who still meet eligibility requirements to participate in the child care subsidy program as their income increases up to 250% of the Federal Poverty Level (FPL), and rate increases for providers participating in Great Start to Quality starting at the two star level and going through the five star level.

To ensure and improve the health and safety of children in child care settings Michigan is in the process of hiring 18 new child care licensing consultants to help reduce licensing consultants' caseloads from approximately 1:146 to 1:113. Up to another 12 consultants will be hired in Spring 2016.

Participating State Agencies

Describe any changes in participation and commitment by any of the Participating State Agencies in the State Plan.

There have been no changes in participation and/or commitment by any Participating State Agency or partner organizations.



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High-Quality, Accountable Programs

Developing and adopting a common, statewide Tiered Quality Rating and Improvement System (TQRIS) (Section B(1) of Application).

During this reporting year of RTT-ELC implementation, has the State made progress in **developing or revising** a TQRIS that is based on a statewide set of tiered Program Standards?

If yes, these standards currently apply to (please check all that apply):

- State-funded preschool programs
- Early Head Start and Head Start programs
- Early Learning and Development programs funded under section 619 of part B of IDEA and part C of IDEA
- Early Learning and Development Programs funded under Title I of ESEA
- Early Learning and Development Programs receiving funds from the State's CCDF program:
 - Center-based
 - Family Child Care

If yes, these standards currently apply to (please check all that apply):

- Early Learning and Development Standards
- A Comprehensive Assessment System
- Early Childhood Educator Qualifications
- Family Engagement Strategies
- Health Promotion Practices
- Effective Data Practices

The State has made progress in ensuring that (please check all that apply):

- TQRIS Program Standards are measurable
- TQRIS Program Standards meaningfully differentiate program quality levels
- TQRIS Program Standards reflect high expectations of program excellence commensurate with nationally recognized standards that lead to improved learning outcomes for children
- The TQRIS is linked to the State licensing system for Early Learning and Development Programs.

Describe progress made during the reporting year in **developing or revising** a TQRIS that is based on a statewide set of tiered Program Standards. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the four-year grant period.

Michigan's Tiered Quality Rating and Improvement System (TQRIS or QRIS) is known as the Great Start to Quality (GSQ). Michigan is committed to ensuring the integration and use of science-based child development principles and practices, which are linked or highly correlated to program quality in our GSQ program standards. Prior to the 2011 implementation of GSQ, we worked with the HighScope Educational Research Foundation to conduct a beta test of the standards with 10 early learning and development programs. Programs in the beta test were accredited by NAEYC or the National Association of Family Child Care (NAFCC). The standards were adjusted based on the findings of this test. Michigan adopted the GSQ Program Standards initially in 2011 and reaffirmed them in 2013.

Statewide Alignment -- The GSQ standards align with the state's early learning standards (approved by Michigan's State Board of Education), the *Early Childhood Standards of Quality for Infant and Toddler Programs* (ECSQ-IT), and the *Early Childhood Standards of Quality for Pre-kindergarten* (ECSQ-PK). Our early learning standards are consistent with and meet thresholds of the National Research Council.

Early Learning and Development Standards -- The GSQ standards include early learning and development standards that align with, and have been cross-walked to, the ECSQ-PK, ECSQ-IT, Head Start performance standards, and NAEYC accreditation. The GSQ indicators under the Curriculum and Instruction section incorporate the state's early learning and development standards.

Michigan's TORIS is clear and has standards that are measurable, meaningfully differentiate program quality levels, and reflect high expectations of program excellence commensurate with nationally recognized standards that lead to improved learning outcomes for children. The tiered QRIS standards are expressed in terms of levels that correspond to a tiered QRIS rating. The levels are organized by five standards of quality -- Curriculum and Instruction, Staff Qualifications and Professional Development, Family and Community Partnerships, Environment, and Administration and Management -- with identified indicators of high quality within each category. Our tiered QRIS levels measure a progression of improved program quality. As a part of the GSQ evaluation through RTT-ELC, a validation study of the standards will be conducted. During Year 2 of the grant, a Request for Proposals (RFP) for the QRS evaluation was made. Four bids were submitted and after much deliberation the Joint Evaluation Committee of professionals conducting a review of the proposals determined that none of the bids adequately addressed the scope of work. Therefore, the RFP was amended and re-submitted late in Year Two. The bidding process will occur through January 2016, and it is projected that the evaluation will begin in March 2016.

Applicable to strengthening the tiered Program Standards will be the resulting recommendations of a committee that convened in Year 2 to align the GSQ program standards with nationally recognized physical and social-emotional health standards. A thorough gap analysis was conducted during Year 2 and recommendations for strengthening indicators used in the rating process will be made to the RTT-ELC governance body in Year 3.

[Empty Box]

Promoting Participation in the TQRIS (Section B(2) of Application)

Describe progress made during the reporting year in promoting participation in the TQRIS. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the four-year grant period.

A unique feature of GSQ is the inclusion of unlicensed, subsidized providers in the quality improvement portion of the TQRIS. In Michigan, center-based early learning programs and group homes are licensed, home-based providers are registered and individuals who enroll to care for children eligible for child care subsidies are considered unlicensed, subsidized. Unlicensed, subsidized providers are required to participate in a tiered system that encourages unlicensed providers to engage in the quality improvement process. Unlicensed, subsidized providers are not rated using the quality star rating system, but are rated at Level 1 through Level 3. A change was made in language during Year 2 from Tier to Level to not confuse this process with the state's tiered reimbursement. All unlicensed, subsidized providers start at Level 1 with the required completion of seven hours of CPR, health and safety, and child development training, called Great Start to Quality Orientation. Level 1, or Great Start to Quality Orientation, must be completed before the unlicensed, subsidized provider becomes eligible to receive the child care subsidy. Unlicensed, subsidized providers are eligible for tiered reimbursement as Level 2 and Level 3 are achieved.

A RTT-ELC activity designed to increase participation of the unlicensed, subsidized providers in GSQ was the development of a cohort model focused on supporting these providers to attain Level 2 designation. Contracts for all six Great Start to Quality Resource Centers implementing the cohorts were issued by ECIC in Year 2. Cohort A began early in the year with three counties, while Cohort B began later in the year with two additional counties. The three remaining counties of Cohort B will begin recruitment efforts at the beginning of Year 3. Each of the Resource Centers employs a Quality Improvement Consultant (QIC) to implement the cohorts. Resource Centers are supported to develop the local cohort models with technical assistance from the ECIC. The QICs are supported in their role with a planned program of training and technical assistance to ensure a base level of knowledge and skill, including adult learning principles, group facilitation, understanding poverty, and continuous quality improvement. Learnings from Cohort A implementation resulted in process revisions for Cohort B. At the end of Year 2, there were 41 participants in Cohort A and 17 participants recruited to begin Cohort B in Year 3.

Contracts for five Great Start to Quality Resource Centers to increase participation for family/group home providers in targeted communities were developed and issued by ECIC. A total of seven Quality Improvement Specialists (QIS) have been employed by these five Resource Centers to serve the seven Pathways to Potential communities. The QIS conduct outreach to family/group home providers to encourage their participation in GSQ and provide technical assistance for the home providers, as needed. A technical assistance and training plan for the QIS has been developed and was implemented in Year 2 with a focus on spokespersonship, messaging and communication. Technical assistance and training will continue to be provided by the ECIC in Year 3. Each of the five Great Start to Quality Resource Centers developed a regional approach for increasing home-based provider participation and also participated in continuous quality improvement efforts. In addition, a specific marketing campaign will be developed and

deployed to target the family/group home provider population in Year 3.

Another activity designed to increase participation in GSQ are bonuses to licensed/registered providers for participating in GSQ. Development of eligibility criteria and an implementation plan for the Participation Bonuses were finalized in Year 2. The ECIC Finance Monitor position, to support this work, was hired and trained in Year 2. Stakeholder feedback was sought prior to implementation by way of a pilot of the Participation Bonus, which occurred at the end of Year 2. A total of 273 programs and providers were awarded a \$500 Participation Bonus through the pilot. Messaging and communication materials were revised slightly based on feedback from awardees and Resource Center staff. The Participation Bonus will relaunch at the beginning of Year 3.

Quality Improvement Grants, also designed to increase participation of licensed/registered providers in Great Start to Quality, will be implemented in Year 3. The implementation design will be informed by stakeholder engagement efforts started in Year 2 and completed in Year 3.

In order to increase efficiency, a specific access to the GSQ STARS platform was created in Year 1 for 81 LARA child care licensing consultants. Training was held in Year 2 to support their understanding of the platform and how they could utilize this resource to support their work. In Year 3, the use of this resource will be evaluated.

The promotion of tribal participation in GSQ requires the enhancement of systems. In Michigan, tribal programs do not participate in the state licensing process, which is the entry point for programs and providers into GSQ. As some tribal programs became aware of GSQ, several expressed interest in participation. As a way to support their participation, a process for tribal programs to participate in GSQ has been established; this will allow them to access the GSQ STARS platform, to complete the rating process, as well as to receive a published, publicly-visible rating. Unique identifiers were created for these programs to support the process. Informational materials will be developed and distributed in future years to further encourage tribal participation.

Michigan is working to increase participation of early childhood special education programs in GSQ. In Year 2 a work group convened to determine the next steps to engage these programs in GSQ. One Intermediate School District was identified to work closely with the MDE to further explore licensing and participation in GSQ. This will include identifying barriers to participation as well as the overall impact on programming, policies and financing for early childhood special education programs. What is learned from this process will be applied to further efforts for engaging these programs in GSQ.

As work progresses to increase the number and types of programs participating in GSQ, work will also continue to increase the number of families eligible for child care subsidy to enroll in high-quality programs. Outreach and education is being conducted with families who have been identified as eligible and issued a subsidy, but who have not yet found care, to understand any barriers they may be experiencing and to support them to find high-quality care, as applicable. This activity is focused on seven of the Pathways to Potential communities. The QIS, employed by the Resource Centers, provide this outreach and support. The QIS received training on call and tracking protocols from ECIC. Outreach calls began late in Year 2 starting with a small pilot to test the protocols that had been developed. In Year 2, 368 families were contacted through 655 calls resulting in 50 referrals for licensed or registered child care. Many of the families contacted were not aware of the referral search feature on GreatStartToQuality.org or

were struggling to find a provider who offered second or third shift care.

Performance Measure (B)(2)(c)

In the table, provide data on the numbers and percentages of Early Learning and Development Programs that are participating in the State's TQRIS by type of Early Learning and Development Program. Targets must be consistent with those in the State's application unless a change has been approved.

Performance Measure (B)(2)(c): Increasing the number and percentage of Early Learning and Development Programs participating in the statewide TQRIS.										
Targets: Number and percentage of Early Learning and Development Programs in the TQRIS										
Type of Early Learning and Development Program in the State	Baseline		Year One		Year Two		Year Three		Year Four	
	#	%	#	%	#	%	#	%	#	%
State-funded preschool	580	76%	766	100%	766	100%	766	100%	766	100%
Early Head Start and Head Start ¹	199	35%	257	45%	314	55%	342	60%	371	65%
Programs funded by IDEA, Part C	0	0%	0	0%	0	0%	0	0%	0	0%
Programs funded by IDEA, Part B, section 619	0	0%	0	0%	0	0%	0	0%	0	0%
Programs funded under Title I of ESEA	0	0%								
Programs receiving CCDF funds	8,624	66.7%	9,101	70.46%	9,578	74.16%	10,055	77.85%	10,531	81.54%
Other 1	8,148	100%	8,148	100%	8,148	100%	8,148	100%	8,148	100%
<i>Describe:</i>	Subsidized FFN Providers (Breakout 1 of CCDF Funding)									
Other 2	476	10%	953	20%	1,430	30%	1,907	40%	2,383	50%
<i>Describe:</i>	Licensed Early Learning and Development Programs (Breakout 2 of CCDF Funding)									
Other 3	659	6%	1,075	10%	3,224	30%	4,299	40%	5,373	50%
<i>Describe:</i>	All Licensed Programs Combined Total									

¹ Including Migrant and Tribal Head Start located in the State.

Performance Measure (B)(2)(c) - Additional Other rows

Targets: Number and percentage of Early Learning and Development Programs in the TQRIS

Type of Early Learning and Development Program in the State	Baseline		Year One		Year Two		Year Three		Year Four	
	#	%	#	%	#	%	#	%	#	%
Other 4										
<i>Describe:</i>										
Other 5										
<i>Describe:</i>										
Other 6										
<i>Describe:</i>										
Other 7										
<i>Describe:</i>										
Other 8										
<i>Describe:</i>										
Other 9										
<i>Describe:</i>										
Other 10										
<i>Describe:</i>										

Performance Measure (B)(2)(c): Increasing the number and percentage of Early Learning and Development Programs participating in the statewide TQRIS.

Actuals: Number and percentage of Early Learning and Development Programs in the TQRIS

Type of Early Learning and Development Program in the State	Baseline			Year One			Year Two			Year Three			Year Four		
	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%
State-funded preschool	766	580	76%	764	764	100%	1,029	1,029	100%						
<i>Specify:</i>	Great Start Readiness Program (GSRP)														
Early Head Start and Head Start ¹	570	199	35%	685	399	58%	631	539	85%						
Programs funded by IDEA, Part C	56	0	0%	56	0	0%	56	0	0%						
Programs funded by IDEA, Part B, section 619	56	0	0%	56	0	0%	56	0	0%						
Programs funded under Title I of ESEA	630	0	0%	630	0	0%									
Programs receiving CCDF funds	12,915	8,624	66.7%	9,969	7,679	77%	8,141	1,541	19%						
Other 1	8,148	8,148	100%	5,706	5,706	100%	4,126	4,126	100%						
<i>Describe:</i>	Subsidized FFN Providers (Breakout 1 of CCDF Funding)														
Other 2	4,767	476	10%	4,263	1,973	46.3%	4,015	1,541	38%						
<i>Describe:</i>	Licensed Early Learning and Development Programs (Breakout 2 of CCDF Funding)														
Other 3	10,747	659	6%	10,403	2,076	20.3%	9,190	2,841	31%						
<i>Describe:</i>	All Licensed Programs Combined Total														

¹ Including Migrant and Tribal Head Start located in the State.

Performance Measure (B)(2)(c) - Additional Other rows

Actuals: Number and percentage of Early Learning and Development Programs in the TQRIS

Type of Early Learning and Development Program in the State	Baseline			Year One			Year Two			Year Three			Year Four		
	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%	# of programs in the State	#	%
Other 4															
<i>Describe:</i>															
Other 5															
<i>Describe:</i>															
Other 6															
<i>Describe:</i>															
Other 7															
<i>Describe:</i>															
Other 8															
<i>Describe:</i>															
Other 9															
<i>Describe:</i>															
Other 10															
<i>Describe:</i>															

Performance Measure (B)(2)(c) Data Notes

Indicate if baseline data are actual or estimated; describe the methodology used to collect the data, including any error or data quality information; and please include any definitions you used that are not defined in the notice.

Context: A licensed or registered program is considered to be participating upon completion and submission of a Self-Assessment Survey and issuance of a published rating. Unlicensed, subsidized providers are considered to be participating upon completion of the required Great Start to Quality Orientation (Level 1). TQRIS data is reflective of January 4, 2016 and collected from the Great Start to Quality STARS platform. The number of GSRP, Early Head Start and Head Start programs may be inaccurate as these fields are self-reported by programs, meaning that the data rely on providers to accurately report their information because there is no mechanism to verify the data. Data for this performance measure provided by ECIC and the Head Start Collaboration Office, Michigan Department of Education.

State Funded Preschool: Great Start Readiness Program funds can only be distributed to programs that are at a 3, 4 or 5 star level in Great Start to Quality.

Head Start/Early Head Start data obtained from the Office of Head Start - Program Information Report (PIR), Enrollment Statistics Report - 2015.

Part C of IDEA provides services and supports designated on the Individualized Family Service Plan and do not provide programs or operate classrooms.

Section 619, Part B numbers are reflective of total grantees (regionally operated by ISDs) and not their respective number of total programs or classrooms.

Programs receiving funding from IDEA Part B and IDEA Part C, section 619 are not currently participating in GSO and are not expected to, as indicated in the check boxes on pp. 13-15, as IDEA, Part C provides services and support to parents/guardians of eligible children, predominantly in their homes. There is no provision for rating a parent's/guardian's home. IDEA Part B, section 619 programs are not licensed, and the GSO platform is built on child care licensing.

Title I numbers are intentionally left blank because we cannot reliably report the number of programs utilizing Title I funds - once distributed to ISDs, Title I funds are not tracked for grade-level spending.

Programs receiving CCDF funds: "Programs receiving CCDF funds" and "Licensed Early Learning and Development Programs (Breakout 2 of CCDF funding)" reflect a change in definition provided by the director of the Child Development and Care Program (CDCP) to provide the most accurate numbers according to the categories provided in the APR. 2015 data reflect the number of CDCP Providers vs. anyone who received a CCDF subsidy payment, which was the definition used for the 2013 and 2014 report. This policy decision significantly impacted the reported number and percentage of "Programs receiving CCDF funds" in Year 2. Licensed Early Learning and Development programs represents total programs statewide (Child Care & Preschool Centers, Group Child Care Homes, Family Child Care Homes), and "Metric Total," retrieved from Great Start to Quality Dashboard Report, 1/5/16 (defined as any early learning and development program licensed by the state that receives CCDF funding).

Subsidized FFN Providers (Breakout 1 of CCDF funding) is total unlicensed subsidized providers who received a payment and who have completed tier 1/level 1 training to receive payment, from January to December 2015.

Licensed Early Learning and Development Programs (Breakout 2 of CCDF funding) is

the number of licensed/registered subsidized providers who received a payment and who are rated 1-5 stars in GSQ.

All Licensed Programs Combined Total refers to the total number of licensed and registered Early Learning and Development programs (child care centers, group child care homes, and family child care homes) in the state, regardless of CCDF funding, and "Metric Total" number, retrieved from LARA and ECIC's Great Start to Quality Dashboard Report, 1/5/16.

The number of children represented in this table are not unduplicated, as some children participate in more than one program.

Performance Measure (B)(2)(c) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established grant targets by the end of the grant period.

Current reporting practices for Title 1 funded programs do not capture the detailed information to identify the number of early childhood programs receiving Title 1 funding. In 2016, Michigan will establish a Data Governance Structure that will ultimately address needs for improving early childhood data reporting abilities in Michigan.

Rating and monitoring Early Learning and Development Programs (Section B(3) of Application).

The State has made progress in developing and enhancing a system for rating and monitoring the quality of Early Learning and Development Programs that participate in the TQRIS that (please check all that apply):

- Includes information on valid and reliable tools for monitoring such programs
- Has trained monitors whose ratings have an acceptable level of inter-rater reliability
- Monitors and rates Early Learning and Development Programs with appropriate frequency
- Provides quality rating and licensing information to parents with children enrolled in Early Learning and Development Programs (e.g., displaying quality rating information at the program site)
- Makes program quality rating data, information, and licensing history (including any health and safety violations) publicly available in formats that are easy to understand and use for decision making by families selecting Early Learning and Development Programs and families whose children are enrolled in such programs.

Describe progress made during the reporting year in developing and enhancing a system for rating and monitoring the quality of Early Learning and Development Programs that participate in the TQRIS. Describe the State's strategies to ensure that measurable progress will be made in rating and monitoring Early Learning and Development Programs by the end of the grant period.

Michigan has developed and implemented a system for rating and monitoring the quality of early learning and development programs participating in GSQ that is rigorous, reliable, and accountable to families, policymakers, and funders.

All licensed and registered early learning and development programs that participate in GSQ beyond the entry point of licensure complete an assessment of quality against the GSQ program standards. Programs with an assessment point total that places them at a 1, 2, or 3 Star level are subject to a 25 percent random selection for on-site validation that includes a review of the program's Self-Assessment Survey and uploaded evidence documentation. Once the validation is complete, the program's rating will be published on GSQ at the validated quality level. For programs with a 1-3 Star rating not selected for validation, the self-assessed rating will be the published rating. Programs with an assessment point total that places them at a 4 or 5 Star level are required to have an on-site validation and a Program Quality Assessment (PQA), after which the program's rating will be published on GSQ. Program ratings are valid for two years. After two years, the program starts the self-assessment process again and tries to achieve a higher rating. During the six months preceding the expiration of the current rating, programs are notified and encouraged to re-engage in GSQ in order to maintain a published rating. Once the rating expires, programs may still elect to re-engage in GSQ and earn a new published rating. Additionally, programs meeting a specified list of criteria, such as an increase in quality or a change in license capacity or staffing, may apply for a reassessment of their current rating, which may result in the receipt of a new published rating.

To improve the program inspection process, Michigan will identify a set of key indicators to monitor for compliance. By streamlining compliance monitoring, licensing consultants will have more time to help programs focus on improving their quality outcomes for children. In Year 2, Michigan selected a contractor to develop, pilot and refine the use of key indicators in the licensing process. This work will begin in January,

2016.

Promoting access to high-quality Early Learning and Development Programs for Children with High Needs (Section B(4) of Application).

Has the State made progress in improving the quality of the Early Learning and Development Programs that are participating in your State TQRIS through the following policies and practices? (If yes, please check all that apply.)

- Program and provider training
- Program and provider technical assistance
- Financial rewards or incentives
- Higher, tiered child care subsidy reimbursement rates
- Increased compensation

Describe the progress made in improving the quality of the Early Learning and Development Programs that are participating in your State TQRIS during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

To strengthen the quality of Early Learning and Development Programs that participate in TQRIS, Michigan has employed a number of strategies including program and provider training and technical assistance, offering Participation Bonuses, and utilizing higher, tiered child care subsidy reimbursement rates. In addition to the seven Quality Improvement Specialists (QIS) now employed through the Resource Centers, Michigan will deploy specialized consultants in the Pathways to Potential communities. Areas of specialization will include physical health, social-emotional health and family engagement. These consultants will work directly with program providers to enhance existing services to children and families.

A technical assistance and training plan for QIS has been developed and was implemented in Year 2 with a focus on spokespersonship, messaging and communication. Technical assistance and training will continue to be provided by the ECIC in Year 3. Also in Year 2, Michigan piloted offering Participation Bonuses to providers to encourage participation in GSQ. Resulting from the pilot, 273 bonuses were awarded. In Year 3 a full launch to offer participation bonuses will occur throughout the year, or until all budgeted dollars are utilized. In addition, Year 3 will include the implementation of Quality Improvement Grants, also designed to increase participation of licensed/registered providers in GSQ.

Performance Measures (B)(4)(c)(1)

In the table below, provide data on the number of Early Learning and Development Programs in the top tiers of the TQRIS. Targets must be consistent with those in the State's application unless a change has been approved.

Performance Measure (B)(4)(c)(1): Increasing the number of Early Learning and Development Programs in the top tiers of the TQRIS.					
Targets					
	Baseline	Year One	Year Two	Year Three	Year Four
Total number of programs enrolled in the TQRIS	659	1,074	3,224	4,299	5,373
Number of programs in Tier 1	19	107	323	430	537
Number of programs in Tier 2	36	215	645	860	1,075
Number of programs in Tier 3	187	268	1,128	1,720	2,149
Number of programs in Tier 4	397	429	967	1,075	1,343
Number of programs in Tier 5	20	54	161	214	269
Number of programs enrolled but not yet rated					

Performance Measure (B)(4)(c)(1): Increasing the number of Early Learning and Development Programs in the top tiers of the TQRIS.					
Actuals					
	Baseline	Year One	Year Two	Year Three	Year Four
Total number of programs enrolled in the TQRIS	659	2,076	2,841		
Number of programs in Tier 1	19	62	83		
Number of programs in Tier 2	36	133	278		
Number of programs in Tier 3	187	698	1,131		
Number of programs in Tier 4	397	1,015	1,185		
Number of programs in Tier 5	20	168	164		
Number of programs enrolled but not yet rated					

Performance Measure (B)(4)(c)(1) Data Notes

Describe the methodology used to collect the data, including any error or data quality information; and please include any definitions you used that are not defined in the notice.

TQRIS data is reflective of January 4, 2016 and collected from the GSQ STARS platform.

The total number of programs covered by the TQRIS includes licensed/registered providers considered in good standing with child care licensing and have a published rating on the public website, GreatStartToQuality.org. Therefore, licensed/registered providers with a status of "inactive" or "provisional" are not eligible to participate and excluded from the count. Licensed/registered providers choosing not to participate in GSQ or who are not eligible to participate publicly display with an "Empty Star" and are not included in this count.

As of January 4, 2016, 9,190 licensed/registered providers were considered eligible to participate in GSQ. Of these programs, 2,841 had a rating of 1 Star to 5 Stars in Great Start to Quality.

For reference, at the time of the application, 10,747 licensed/registered programs were eligible to participate in GSQ, by definition, but had not applied to receive a rating. This was the baseline originally submitted for "Total Number of Programs Covered by TQRIS," but did not accurately reflect the total number of programs with a published rating in 2013. This information has been updated to reflect that distinction and was also reflected in the 2014 APR. In addition, the targets were developed based on the total number of eligible licensed/registered programs at the time of the application. This number has decreased from 10,747 (as noted above) to 9,190. Targets revised to reflect an equivalent percentage for Year 2 based on the number of programs eligible to participate in 2015 are as follows: Total number of programs covered by the TQRIS=2757 (30%), Number of Programs in Tier 1=276 (9%), Number of Programs in Tier 2=551 (3%), Number of Programs in Tier 3=965 (10.5%), Number of Programs in Tier 4=827 (9%), Number of Programs in Tier 5=138 (1.5%). Data provided by ECIC and Head Start Collaboration Office.

Performance Measure (B)(4)(c)(1) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established targets by the end of the grant period.

Targets were not met for Tier 1 (1 Star) and Tier 2 (2 Star) programs during 2015; however, the total number of licensed/registered programs and those in Tier 3-5 (3-5 Stars) exceeded the target. A large majority of the licensed programs in the higher tiers of GSQ (3-5 Stars) reflect the mandatory GSQ participation for state-funded preschool (Great Start Readiness Program) providers and their community-based partners. A continued focus on increasing home-based provider participation and the state-wide implementation of the Participation Bonus in January, 2016, should yield further progress toward participation targets in the lower tiers of GSQ (1-2 Stars).

Performance Measure (B)(4)(c)(2) Definition of Highest Tiers

For purposes of Performance Measure (B)(4)(c)(2), how is the State defining its "highest tiers"?

Michigan considers the top tiers of its TQRIS to be programs rated with 3 Stars or higher.

Performance Measure (B)(4)(c)(2)

In the table below, provide data on the number and percentage of children with high needs who are enrolled in Early Learning and Development Programs in the top tiers of the TQRIS. Targets must be consistent with those in the State's application unless a change has been approved.

Performance Measure (B)(4)(c)(2): Increasing the number and percentage of Children with High Needs who are enrolled in Early Learning and Development Programs that are in the top tiers of the TQRIS.										
Targets: Number and percent of Children with High Needs in programs in top tiers of the TQRIS										
Type of Early Learning and Development Programs in the State	Baseline		Year One		Year Two		Year Three		Year Four	
	#	%	#	%	#	%	#	%	#	%
State-funded preschool	24,426	51%	48,075	100%	48,075	100%	48,075	100%	48,075	100%
Early Head Start and Head Start ¹	13,060	35%	16,791	45%	20,522	55%	22,388	60%	24,253	65%
Programs funded by IDEA, Part C	0	0%	0	0%	0	0%	0	0%	0	0%
Programs funded by IDEA, Part B, section 619	0	0%	0	0%	0	0%	0	0%	0	0%
Programs funded under Title I of ESEA	0	0%	227	2%	227	2%	453	4%	453	4%
Programs receiving CCDF funds	0	0%	2,722	10%	8,164	30%	10,886	40%	13,607	50%
Other 1										
<i>Describe:</i>										
Other 2										
<i>Describe:</i>										

¹ Including Migrant and Tribal Head Start located in the State.

Performance Measure (B)(4)(c)(2) - Additional Other rows

Targets: Number and percent of Children with High Needs in programs in top tiers of the TQRIS

Type of Early Learning and Development Programs in the State	Baseline		Year One		Year Two		Year Three		Year Four	
	#	%	#	%	#	%	#	%	#	%
Other 3										
<i>Describe:</i>										
Other 4										
<i>Describe:</i>										
Other 5										
<i>Describe:</i>										
Other 6										
<i>Describe:</i>										
Other 7										
<i>Describe:</i>										
Other 8										
<i>Describe:</i>										
Other 9										
<i>Describe:</i>										
Other 10										
<i>Describe:</i>										

Performance Measure (B)(4)(c)(2): Increasing the number and percentage of Children with High Needs who are enrolled in Early Learning and Development Programs that are in the top tiers of the TQRIS.

In most States, the **Number of Children with High Needs served by programs in the State** for the current reporting year will correspond to the **Total** reported in Table (A)(1)-3a. If not, please explain the reason in the data notes.

Actuals: Number and percent of Children with High Needs in programs in top tiers of the TQRIS

Type of Early Learning and Development Programs in the State	Baseline			Year One			Year Two			Year Three			Year Four		
	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%
State-funded preschool	48,075	24,426	51%	30,517	30,517	100%	37,506	37,506	100%						
<i>Specify:</i>	Great Start Readiness Programs (GSRP)														
Early Head Start and Head Start ¹	37,313	13,060	35%	41,310	22,545	54.6%	38,434	34,255	89%						
Programs funded by IDEA, Part C	0	0	0%	12,028	0	0%	8,898	0	0%						
Programs funded by IDEA, Part B, section 619	0	0	0%	19,987	0	0%	12,144	0	0%						
Programs funded under Title I of ESEA	11,332	0	0%	8,440	0	0%	8,264	0	0%						
Programs receiving CCDF funds	27,215	0	0%	23,635	8,458	35.8%	16,975	8,957	53%						
Other 1															
<i>Describe:</i>															
Other 2															
<i>Describe:</i>															

¹ Including Migrant and Tribal Head Start located in the State.

Performance Measure (B)(4)(c)(2) - Additional Other rows

Actuals: Number and percent of Children with High Needs in programs in top tiers of the TQRIS

Type of Early Learning and Development Programs in the State	Baseline		Year One			Year Two			Year Three			Year Four				
	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	# of Children with High Needs served by programs in the State	#	%	
Other 3																
<i>Describe:</i>																
Other 4																
<i>Describe:</i>																
Other 5																
<i>Describe:</i>																
Other 6																
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Other 9																
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Other 10																
<i>Describe:</i>																

Performance Measure (B)(4)(c)(2) Data Notes

Please indicate whether baseline data are actual or estimated; and describe the methodology used to collect the data, including any error or data quality information; and please include any definitions you used that are not defined in the notice.

Michigan considers the top tiers of its TQRIS to be programs rated 3 stars or higher.

State-funded preschool: The GSRP numbers are based on funded enrollment from 2015. All GSRP programs are required to be 3 Stars or higher.

Early Head Start and Head Start: Federal Office of Head Start Program Information Report, reporting year 2014-15. Number of students served by high-quality programs does not represent actual students but slots available for students to be served. Data supplied by MDE, Head Start Collaboration, and ECIC.

IDEA, Part C and IDEA Part B, section 619 Programs: IDEA, Part C provides services and supports to parents/guardians of eligible children in the environment that is most natural for infants and toddlers, predominantly their home. There is no provision for rating a parent's home. IDEA Part B, section 619 programs are not licensed, and the platform for GSQ is built on child care licensing. These programs may eventually be included. Part C data provided by Part C Snapshot 10/1/14.

Programs funded under Title I: Data currently not available on the number of children in Title I programs, disaggregated by star rating. Total number of children served derived from State Consolidated Report, 2013-14.

Programs receiving funds from CCDF: Michigan Department of Education, Child Development and Care Program. Total Number of Children Served/Total Number Served in Top Tier Programs' data represents total number of 0-5 children served by programs receiving CDC payments, and those in 3, 4, and 5 star rated programs.

The number of children represented in this table are not unduplicated as some children participate in more than one program.

Performance Measure (B)(4)(c)(2) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established targets by the end of the grant period.

Michigan does not yet have a mechanism for tracking the number and percentage of programs funded under Title 1 of ESEA who participate in Great Start to Quality and/or the number of children who participate in these programs. The Office of Great Start and Office of Field Services are working together to explore solutions around how to track early childhood education and care funded by Title 1.

Validating the effectiveness of the State TQRIS (Section B(5) of Application).

Describe progress made during the reporting year in validating the effectiveness of the TQRIS during the reporting year, including the State's strategies for determining whether TQRIS tiers accurately reflect differential levels of program quality and assessing the extent to which changes in ratings are related to progress in children's learning, development, and school readiness. Describe the State's strategies to ensure that measurable progress will be made by the end of the grant period.

During Year 2, Michigan issued a Request for Proposals (RFP) to identify a contractor to evaluate the effectiveness of the GSQ System. Prior to issuance of the RFP, a review of the expectations of the design of the study and feedback was provided by the U.S. Department of Health and Human Services, Office of Policy, Research, and Evaluation (OPRE); and the U.S. Department of Education, Institute of Education Sciences (IES) prior to release of the RFP. A cycle of bidding and review of bids was conducted in summer of 2015, resulting in no selection of a vendor, thus precipitating the revision of the expectations within the RFP and reissuance of the bid documents in the fall of 2015.

To best determine the effectiveness of the GSQ system, Michigan decided to focus on the following research questions:

1. How effectively do the GSQ rating levels differentiate the quality level of programs?
2. How effectively does the GSQ system ensure all children are developmentally ready to succeed at the time of school entry and ensure children with high needs receive high-quality care?
3. What are the specific local, regional, and state conditions that promote the effective implementation of GSQ and the growth of higher quality early childhood programs throughout the state?

The RFP called for a multi-year, mixed-methods evaluation that will measure how the GSQ system reflects the nuanced differential levels of program quality and assesses how changes in ratings are related to progress in child outcomes. The evaluation design includes secondary and primary data collection involving both the population of programs targeted by GSQ and a stratified sample, targeting early learning and development home-based providers and center-based programs, including Head Start, GSRP, and Title 1 programs serving children in targeted communities.

Additionally, the evaluation design includes: assessment of early childhood program readiness to participate in GSQ and readiness of the state to implement it; longitudinal assessment of child development, learning, and school readiness relative to program quality; the use of GIS mapping to better understand the intersection of geographic location, demographics (diversity characteristics, poverty rates, etc.), as they relate both to successful GSQ implementation and to children's outcomes; and an examination of program, local, and regional characteristics that are associated with effective Great Start to Quality implementation and growth in program quality across the state. The evaluation process is projected to begin in April 2016.

Focused Investment Areas -- Sections (C), (D), and (E)

Select the Focused Investment Areas addressed in your RTT-ELC State Plan:

- (C)(1) Developing and using statewide, high-quality Early Learning and Development Standards.
- (C)(2) Supporting effective uses of Comprehensive Assessment Systems.
- (C)(3) Identifying and addressing the health, behavioral, and developmental needs of Children with High Needs to improve school readiness.
- (C)(4) Engaging and supporting families.
- (D)(1) Developing a Workforce Knowledge and Competency Framework and a progression of credentials.
- (D)(2) Supporting Early Childhood Educators in improving their knowledge, skills, and abilities.
- (E)(1) Understanding the status of children's learning and development at kindergarten entry.
- (E)(2) Building or enhancing an early learning data system to improve instruction, practices, services, and policies.

Grantee should complete only those sections that correspond with the focused investment areas outlined in the grantee's RTT-ELC application and State Plan.

Promoting Early Learning Outcomes

Early Learning and Development Standards (Section C(1) of Application)

The State has made progress in ensuring that its Early Learning and Development Standards (check all that apply):

- Are developmentally, culturally, and linguistically appropriate across each defined age group of infants, toddlers, and preschoolers;
- Cover all Essential Domains of School Readiness;
- Are aligned with the State's K-3 academic standards; and
- Are incorporated in Program Standards, curricula and activities, Comprehensive Assessment Systems, the State's Workforce Knowledge and Competency Framework, and professional development activities.

Describe the progress made in the reporting year, including supports that are in place to promote the understanding of and commitment to the Early Learning and Development Standards across Early Learning and Development Programs. Please describe the State's strategies to ensure that measurable progress will be made in these areas by the end of the grant period.

MICHIGAN DID NOT ADDRESS FOCUS AREA C(1) IN ITS RTT-ELC APPLICATION

Comprehensive Assessment Systems (Section C(2) of Application)

The State has made progress in implementing a developmentally appropriate Comprehensive Assessment System working with Early Learning and Development Programs to (check all that apply):

- Select assessment instruments and approaches that are appropriate for the target populations and purposes;
- Strengthen Early Childhood Educators' understanding of the purposes and uses of each type of assessment included in the Comprehensive Assessment Systems;
- Articulate an approach for aligning and integrating assessments and sharing assessment results; and
- Train Early Childhood Educators to appropriately administer assessments and interpret and use assessment data in order to inform and improve instruction, programs, and services.

Describe the progress made during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in these areas by the end of the grant period.

- MICHIGAN DID NOT ADDRESS FOCUS AREA C(2) IN ITS RTT-ELC APPLICATION

Health Promotion (Section C(3) of Application)

The State has made progress in (check all that apply):

- Establishing a progression of standards for ensuring children's health and safety;
- Ensuring that health and behavioral screening and follow-up occur; and
- Promoting children's physical, social, and emotional development across the levels of your TQRIS Program Standards;
- Increasing the number of Early Childhood Educators who are trained and supported in meeting the health standards;
- Promoting healthy eating habits, improving nutrition, expanding physical activity; and
- Leveraging existing resources to meet ambitious yet achievable annual targets.

Describe the progress made during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

Michigan plans to assist families and providers of early learning and care in supporting the healthy development and well-being of children with high needs. Michigan will accomplish this goal by building on efforts already underway across the state to increase healthy behaviors through education and personal action. Through RTT-ELC, these efforts will increase the availability of high-quality early learning programs that meet the physical and social-emotional health needs of young children, with a focus on Pathways to Potential communities.

Michigan's goal for this RTT-ELC reform area is to help create an early learning and development system that supports the physical and social-emotional development of children from birth to eight years of age.

The specific strategies and related outcomes associated with this goal include:

- Align GSQ program standards with nationally recognized physical and social-emotional health standards;
- Develop training and technical assistance materials and supports for families and providers that promote children's wellness, including materials about developmental screening and referral procedures;
- Provide consultants to support home-based providers in meeting the physical and social-emotional health needs of young children.

The progress made toward these efforts in Year 2 includes:

- Collaborative meetings between MDE and MDHHS staff to update and improve project plans, review draft interagency agreements, and review sub-recipient monitoring plans and requirements. Based on these meetings, resources and staffing have been realigned to meet project expectations. Position descriptions have been drafted and are moving forward through the state system to assure measurable progress. MDE and MDHHS staff have also worked together to develop a process map to guide the prioritization and delivery of consultant services to identified child care providers.

- MDHHS has convened a broad group of early childhood, behavioral, health, and other stakeholders, including parents and child care providers, to review current health and safety standards, identify gaps, and make recommendations regarding additional health and safety standards to be considered for addition. This analysis will also help to identify areas where materials and trainings need to be developed to promote healthy eating habits, improve nutrition, and expand physical activity. These will be provided in conjunction with the services provided by the Child Care Health Consultant. The gap analysis is complete and work on the recommendations and additional materials will continue.
- MDHHS is utilizing other state initiatives such as the Maternal Child Health Block grant to identify potential funding and support to move forward with development of a state Developmental Screening strategic plan. MDHHS plans to contract with a facilitator who will convene a group of stakeholders to create a strategic plan that will include aspects such as promotion of developmental screening to professionals as well as parents, coordination of a unified state tracking system, processes to improve efficiency and reduce duplicative efforts, and processes to ensure appropriate referral and follow up.
- MDHHS has developed a Michigan Health Equity Roadmap that includes priority recommendations and strategies to help to reduce health inequities by 1) Improving Race/Ethnicity Data Collections; 2) Strengthening capacity of government and communities to develop effective partnerships to improve racial/ethnic health inequities; 3) Improve social determinants of racial/ethnic health inequities through public education and evidence-based community interventions; 4) Ensure equitable access to quality healthcare; and 5) Strengthen community engagement, capacity, and empowerment. MDHHS staff and key partners will be participating in Health Equity Learning Labs in 2016 that will focus on developing action steps and work plans for specific programs to be able to make progress on improving health outcomes by addressing the social determinants of health. The work that is supported within Project 3 of RTT-ELC is designed at the community level for those children/parents/providers who are more likely to be experiencing health disparities. Implementation of the activities in Project 3 will be strengthened by the Roadmap/ Learning Lab work plans as increased focus and strategies are developed for targeted communities, including the Pathways to Potential communities that are receiving Specialized Health Consultation.

Also designed to address the social-emotional and physical health needs of Michigan's at-risk children is Specialized Consultation in the areas of Physical Health and Social Emotional Health. During Year 2, a team of professionals representing these specializations in early childhood convened monthly to develop a model for providing specialized consultation to child care professionals in the Pathways to Potential communities. Over the course of Year 2 this team established the eligibility criteria for receiving specialized consultation and developed a process map for delivering these services in the communities. Plans are underway for hiring and deploying the specialized consultants in Year 3, including establishing position descriptions and determining supervision and coordination methods to be utilized. Also in Year 3, an evaluator for this work will be identified in order to achieve continuous quality improvement for these practices.

Performance Measure (C)(3)(d)

In the table, provide data on leveraging existing resources to meet ambitious yet achievable statewide targets. Targets must be consistent with those in the State's application unless a change has been approved.

Performance Measure (C)(3)(d): Leveraging existing resources to meet ambitious yet achievable annual statewide targets.					
Baseline and Annual Targets					
	Baseline	Year One	Year Two	Year Three	Year Four
Number of Children with High Needs screened	14,400	18,113	21,736	25,358	28,981
Number of Children with High Needs referred for services who received follow-up/treatment					
Number of Children with High Needs who participate in ongoing health care as part of a schedule of well child care	166,373				
Of these participating children, the number or percentage of children who are up-to-date in a schedule of well child care	166,373				

Performance Measure (C)(3)(d): Leveraging existing resources to meet ambitious yet achievable annual statewide targets.					
Actuals					
	Baseline	Year One	Year Two	Year Three	Year Four
Number of Children with High Needs screened	14,400	56,763	58,457		
Number of Children with High Needs referred for services who received follow-up/treatment					
Number of Children with High Needs who participate in ongoing health care as part of a schedule of well child care	166,373	165,214	86,063		
Of these participating children, the number or percentage of children who are up-to-date in a schedule of well child care	166,373	165,214	86,063		

Performance Measure (C)(3)(d) Data Notes

Please indicate if baseline data are actual or estimated; describe the methodology used to collect the data, including any error or data quality information; and please include any definitions you used that are not defined in the notice.

Data retrieved from MDHHS data request. MDHHS is working with Medicaid to understand the discrepancy between Year 1 and Year 2 for the number of children with high needs to participate in ongoing health care, and the number of children who are up-to-date in a schedule of well child care.

Performance Measure (C)(3)(d) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established targets by the end of the grant period.

In the original application, the state indicated an intent to set targets related to number of referrals made following a developmental screening. The state has not yet developed a methodology to collect data about referrals, and is still working to establish a means to respond to this metric. Further, Michigan's Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV) benchmark reporting has identified that counting referrals is not a meaningful way to track activity post-screening, because many different types of activity could occur other than a referral, and the alternate activities may be more meaningful, or more acceptable, to a family that is not interested in a referral. Michigan is participating in the Health Resources and Services Administration (HRSA) MIECHV Home Visiting Collaborative Improvement and Innovation Network (CoIIN) project, Phase II, with one local home visiting site continuing to work on the topic of Developmental Screening and Surveillance, which addresses ways to improve follow up. The CoIIN has developed guidance to improve developmental screening processes, including the creation of a Key Driver Diagram for supporting improvement. Michigan will continue to learn from this CoIIN work, and be able to share more about what has been learned as well as potential next steps toward the end of Year 3.

Engaging and Supporting Families (Section C(4) of Application)

The State has made progress in (check all that apply):

- Establishing a progression of culturally and linguistically appropriate standards for family engagement across the levels of your Program Standards;
- Including information on activities that enhance the capacity of families to support their children's education and development;
- Increasing the number and percentage of Early Childhood Educators trained and supported to implement the family engagement strategies; and
- Promoting family support and engagement statewide, including by leveraging other existing resources.

Describe the progress made during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

Supporting the critical role that families play in their children's early learning and development is a key recommendation in Michigan's plan for early learning and development. *Great Start, Great Investment, Great Future* also includes a set of guiding principles, including "families and communities must have a voice in building and operating the system." Michigan also supports parent coalitions as a part of our local early childhood system governance structure. These Great Start Parent Coalitions (GSPCs) are convened by families and are dedicated to bringing family voice into local decision-making and public education/public will activities. Additionally, all Great Start Collaboratives (GSCs) include parents of young children as 20 percent of their membership. This governance body for the local early childhood system helps to ensure that all children in the community meet the prenatal to age eight outcomes. To further build on this approach to authentically engaging families and supporting their development as leaders for their own children and communities, Michigan is utilizing the following strategies through RTT-ELC:

- Assure GSQ standards for Family and Community Partnership engagement reflect the Strengthening Families™ Protective Factors (SFPP) framework;
- Enhance the quality improvement capacity of GSQ through the addition of specialized QICs in family engagement;
- Use specialized quality improvement consultation to measurably improve the capacity of home-based providers to engage families in their children's learning;
- Ensure that families have information and resources that support their engagement in children's learning and development;
- Engage Great Start Parent Coalitions to strengthen their community of trusted advisors to improve linkages to the families most difficult to engage in early learning and development programs and related community supports.

In Year 2, Michigan completed the selection process to hire a Family Engagement Specialist to begin work in February 2016. This individual will lead efforts on working with the Great Start Parent Coalitions to utilize trusted advisors in the Pathways to Potential communities. Also in Year 2, training was provided to the success coaches in the Pathways to Potential communities. Initial trainings were geared toward increasing success coaches' awareness and understanding about child care subsidy and how to guide parents to identify high-quality child care options for their children. Feedback from these trainings indicated the need for assisting the success coaches in linking with local

resources available for children and families within their communities. This will be the focus of the first training in 2016.

Also designed to strengthen family engagement efforts for Michigan's at-risk children is Specialized Consultation in the area of Family Engagement. During Year 2 a team of professionals representing various components of the early childhood field convened monthly to develop a model for providing specialized consultation to child care professionals in the Pathways to Potential communities. Over the course of Year 2, this team established the eligibility criteria for receiving specialized consultation and developed a process map for delivering these services in the communities. Plans are underway for hiring and deploying the specialized consultants in Year 3, including establishing position descriptions and determining supervision and coordination methods to be utilized. Also in Year 3, an evaluator for this work will be identified in order to achieve continuous quality improvement for these practices.

Early Childhood Education Workforce

Workforce Knowledge and Competency Framework and progression of credentials.

(Section D(1) of Application)

The State has made progress in developing (check all that apply):

- A common, statewide Workforce Knowledge and Competency Framework designed to promote children's learning and development and improve child outcomes; and
- A common, statewide progression of credentials and degrees aligned with the Workforce Knowledge and Competency Framework.

Describe the progress made during the reporting year, including progress in engaging postsecondary institutions and other professional development providers in aligning professional development opportunities with the State Workforce Knowledge and Competency Framework. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

- MICHIGAN DID NOT ADDRESS FOCUS AREA D(1) IN ITS RTT ELC APPLICATION

Supporting Early Childhood Educators in improving their knowledge, skills, and abilities.

(Section D(2) of Application)

The State has made progress in improving the effectiveness and retention of Early Childhood Educators who work with Children with High Needs with the goal of improving child outcomes (check all that apply):

- Providing and expanding access to effective professional development opportunities that are aligned with your State's Workforce Knowledge and Competency Framework;
- Implementing policies and incentives that promote professional and career advancement along an articulated career pathway that is aligned to the Workforce Knowledge and Competency Framework, and that are designed to increase retention, including
 - Scholarships
 - Compensation and wage supplements,
 - Tiered reimbursement rates,
 - Other financial incentives
 - Management opportunities
- Publicly reporting aggregated data on Early Childhood Educator development, advancement, and retention
- Setting ambitious yet achievable targets for --
 - Increasing the number of postsecondary institutions and professional development providers with programs that are aligned to the Workforce Knowledge and Competency Framework and the number of Early Childhood Educators who receive credentials from postsecondary institutions and professional development providers that are aligned to the Workforce Knowledge and Competency Framework; and
 - Increasing the number and percentage of Early Childhood Educators who are progressing to higher levels of credentials that align with the Workforce Knowledge and Competency Framework.

Describe the progress made during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

The specific RTT-ELC strategies and related outcomes associated with supporting Early Childhood Educators in improving their knowledge, skills, and abilities include:

- Expand online CDA credential programs for early childhood educators;
- Increase the number of NAEYC accredited community college early learning programs;
- Expand opportunities for home-based providers to earn a degree, as well as increase the supply of staff qualified to teach in Michigan's GSRP, through Teacher Education And Compensation Helps (T.E.A.C.H.) scholarships;
- Increase access to training focused on achieving GSQ standards for program administration.

The progress made toward these efforts in Year 2 includes:

- Worked with a cohort group of community colleges to add more online options for credit-bearing CDA training offered for a range of credits that can be obtained within one year.
- Awarded funding to eight colleges to pursue NAEYC accreditation and one college to pursue reaccreditation from NAEYC.
- Planning and implementing two Higher Education summits where the primary topic of discussion was around improving articulation agreements between community colleges and universities.
- Provision of 263 T.E.A.C.H. scholarships to eligible providers for 2015, including 146 scholarships to home-based providers and 117 scholarships to providers seeking certification to teach in GSRP.

Michigan State Board of Education approved revised Core Knowledge and Core Competencies (CKCC) for the Early Care and Education Workforce in November of 2014. Therefore, the number of institutions aligned with the newly revised CKCCs is less than the baseline data reported in Michigan's RTT-ELC application. The revised CKCCs are aligned with the NAEYC standards. The number of institutions NAEYC accredited as of 2014 was seven. During Year 2 of the grant, funding was awarded to eight additional colleges to pursue NAEYC accreditation and one college to pursue reaccreditation from NAEYC. As part of RTT-ELC, Michigan will continue to support other Institutions of Higher Education to align with the revised CKCCs.

Performance Measures (D)(2)(d)(1):

In the tables below, indicate State progress toward meeting ambitious yet achievable targets for: Increasing the number of postsecondary institutions and professional development providers with programs that are aligned to the Workforce Knowledge and Competency Framework and the number of Early Childhood Educators who receive credentials from postsecondary institutions and professional development providers that are aligned to the Workforce Knowledge and Competency Framework.

Performance Measure (D)(2)(d)(1): Increasing the number of Early Childhood Educators receiving credentials from postsecondary institutions and professional development providers with programs that are aligned to the Workforce Knowledge and Competency Framework.

Baseline and Annual Targets					
	Baseline	Year One	Year Two	Year Three	Year Four
Total number of "aligned" institutions and providers	27	28	30	31	32
Total number of Early Childhood Educators credentialed by an "aligned" institution or provider	759	789	849	909	969

Performance Measure (D)(2)(d)(1): Increasing the number of Early Childhood Educators receiving credentials from postsecondary institutions and professional development providers with programs that are aligned to the Workforce Knowledge and Competency Framework.

Actuals					
	Baseline	Year One	Year Two	Year Three	Year Four
Total number of "aligned" institutions and providers	27	7	7		
Total number of Early Childhood Educators credentialed by an "aligned" institution or provider	759	154	300		

Performance Measure (D)(2)(d)(1) Data Notes

The number of institutions remained at seven for 2015. The number of graduates from aligned institutions was obtained from the Michigan Community College Network for both 2014 and 2015 by Classification of Instructional Programs (CIP) codes: 13.1210, 19.0708, and 19.0709. CIP are provided by the federal government to standardize and support accurate tracking and reporting of fields of study and program completion activity in Institutes of Higher Education (IHE).
Data provided by MiAEYC.

Performance Measure (D)(2)(d)(1) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established targets by the end of the grant period.

The original target for this performance measure was based on Institutes of

Higher Education (IHE) self-reporting their alignment with the previous version of the Michigan CKCCs developed back in 2003. New CKCCs were approved by the State Board of Education in 2014, affecting the reported data for the 2014 APR, as no colleges had a chance to align their programs to the new document. A different way of measuring this performance target was determined; data were used from NAEYC accredited programs, as the new CKCCs were aligned to NAEYC standards, also allowing more concrete evidence of alignment vs a self-report measure. No new programs received NAEYC accreditation in 2015; therefore, the number remained the same for 2015 reporting.

Performance Measures (D)(2)(d)(2):

In the tables below, indicate State progress toward meeting ambitious yet achievable targets for: Increasing the number and percentage of Early Childhood Educators who are progressing to higher levels of credentials that align with the Workforce Knowledge and Competency Framework.

Performance Measure (D)(2)(d)(2): Increasing number and percentage of Early Childhood Educators who are progressing to higher levels of credentials that align with the Workforce Knowledge and Competency Framework.										
Baseline and Annual Targets										
Progression of credentials (Aligned to Workforce Knowledge and Competency Framework)	<i>Number and percentage of Early Childhood Educators who have moved up the progression of credentials, aligned to the Workforce Knowledge and Competency Framework, in the prior year</i>									
	Baseline		Year One		Year Two		Year Three		Year Four	
<Select Progression>	#	%	#	%	#	%	#	%	#	%
Credential Type 1	383		414		445		476		507	
<i>Specify:</i>	CDA									
Credential Type 2	827		858		889		920		951	
<i>Specify:</i>	AA									
Credential Type 3	1,141		1,142		1,143		1,155		1,168	
<i>Specify:</i>	BA									
Credential Type 4	920	93.4%	1,212	72.8%	1,582	95%	1,582	95%	1,582	95%
<i>Specify:</i>	ZS/ZA Endorsement (GSRP only)									
Credential Type 5										
<i>Specify:</i>										
Credential Type 6										
<i>Specify:</i>										
Credential Type 7										
<i>Specify:</i>										
Credential Type 8										
<i>Specify:</i>										
Credential Type 9										
<i>Specify:</i>										
Credential Type 10										
<i>Specify:</i>										
Credential Type 11										
<i>Specify:</i>										
Credential Type 12										
<i>Specify:</i>										
Credential Type 13										
<i>Specify:</i>										

Performance Measure (D)(2)(d)(2): Increasing number and percentage of Early Childhood Educators who are progressing to higher levels of credentials that align with the Workforce Knowledge and Competency Framework.

Actuals

Progression of credentials (Aligned to Workforce Knowledge and Competency Framework)	<i>Number and percentage of Early Childhood Educators who have moved up the progression of credentials, aligned to the Workforce Knowledge and Competency Framework, in the prior year</i>									
	Baseline		Year One		Year Two		Year Three		Year Four	
<Select Progression>	#	%	#	%	#	%	#	%	#	%
Credential Type 1	383									
<i>Specify:</i>	CDA									
Credential Type 2	827									
<i>Specify:</i>	AA									
Credential Type 3	1,141									
<i>Specify:</i>	BA									
Credential Type 4	920	93.4%								
<i>Specify:</i>	ZS/ZA Endorsement (GSRP only)									
Credential Type 5										
<i>Specify:</i>										
Credential Type 6										
<i>Specify:</i>										
Credential Type 7										
<i>Specify:</i>										
Credential Type 8										
<i>Specify:</i>										
Credential Type 9										
<i>Specify:</i>										
Credential Type 10										
<i>Specify:</i>										
Credential Type 11										
<i>Specify:</i>										
Credential Type 12										
<i>Specify:</i>										
Credential Type 13										
<i>Specify:</i>										

Performance Measure (D)(2)(d)(2) Data Notes

Please describe the methodology used to collect the data, including any error or data quality information.

The previous data source for this performance measure utilized provider self-reported educational attainment data from Great Start CONNECT. This database was recently absorbed by Great Start to Quality with no continued collection of self-reported educational attainment data for home-based providers not participating in GSQ. Plans for a replacement collection method for this data include capturing this data through the professional development registry. In 2015 a contractor was selected and the development of this registry is slated to begin in 2016.

Performance Measure (D)(2)(d)(2) Target Notes

For all targets that were not reached in the reporting year, please describe the State's strategies to ensure that measurable progress will be made in reaching the established targets by the end of the grant period.

N/A

Measuring Outcomes and Progress

Understanding the Status of Children's Learning and Development at Kindergarten Entry (Section E(1) of Application)

The State has made progress in developing a common, statewide Kindergarten Entry Assessment that (check all that apply):

- Is aligned with the State's Early Learning and Development Standards and covers all Essential Domains of School Readiness;
- Is valid, reliable, and appropriate for the target population and for the purpose for which it will be used, including for English learners and children with disabilities;
- Is administered beginning no later than the start of the school year in the fourth year of the grant to children entering a public school kindergarten. States may propose a phased implementation plan that forms the basis for broader statewide implementation;
- Is reported to the Statewide Longitudinal Data System, and to the early learning data system, if it is separate from the Statewide Longitudinal Data System, as permitted under and consistent with the requirements of Federal, State, and local privacy laws; and
- Is funded, in significant part, with Federal or State resources other than those available under this grant, (e.g., with funds available under section 6111 or 6112 of the ESEA).

Describe the domain coverage of the State's Kindergarten Entry Assessment, validity and reliability efforts regarding the Kindergarten Entry Assessment, and timing of the administration of the Kindergarten Entry Assessment.

Michigan's Kindergarten Entry Assessment (KEA) is aligned with its Early Learning and Development Standards and covers all essential domains of school readiness. The assessment is currently Teaching Strategies GOLD, and Michigan is using the following domains: social-emotional, physical and motor development, language and literacy, approaches toward learning, and mathematics. The Teaching Strategies GOLD assessment has been reviewed by independent researchers at the Center for Educational Measurement and Evaluation at the University of North Carolina, who found that it is a reliable and valid measure of child growth and development. Teachers are required to pass an inter-rater reliability training module prior to administering the assessment. The KEA is administered in the fall of the kindergarten year.

Describe the progress made during the reporting year. Please describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

Michigan's KEA continued to be piloted in Fall 2015 in a similar manner as in Fall 2014. Michigan State School Aid Act, *Public Act 85 of 2015*, focusing on early literacy, including the KEA, lays out a plan for a coherent system of assessment tools that support early literacy. MDE's early literacy strategy teams are working to round out these assessments and provide more definition to what this will look like in Fall 2016. Until this process is complete, Michigan does not know exactly what this system will be composed of next fall. It is the intent of MDE that these early literacy assessment tools not be used for school

accountability.

Early Learning Data Systems (Section E(2) of Application)

The State has made progress in enhancing its existing Statewide Longitudinal Data System or building or enhancing a separate, coordinated, early learning data system that aligns and is interoperable with the Statewide Longitudinal Data System and that (check all that apply):

- Has all of the Essential Data Elements;
- Enables uniform data collection and easy entry of the Essential Data Elements by Participating State Agencies and Participating Programs;
- Facilitates the exchange of data among Participating State Agencies by using standard data structures, data formats, and data definitions such as Common Education Data Standards to ensure interoperability among the various levels and types of data;
- Generates information that is timely, relevant, accessible, and easy for Early Learning and Development Programs and Early Childhood Educators to use for continuous improvement and decision making; and
- Meets the Data System Oversight Requirements and complies with the requirements of Federal, State, and local privacy laws.

Describe the progress made during the reporting year, including the State's progress in building or enhancing a separate early learning data system that aligns with and is interoperable with the Statewide Longitudinal Data System and that meets the criteria described above. Describe the State's strategies to ensure that measurable progress will be made in this area by the end of the grant period.

During Year 2, Michigan's Center for Educational Performance and Information (CEPI) has been working on several methods to improve the collection and reporting of Early Childhood data.

Head Start Outreach

Head Start grantees identified limited time and resources as the primary barriers to data submission. CEPI successfully implemented a multi-grantee pilot to identify a way to ease the difficulty of requesting Unique Identification Codes (UIC) for Head Start children. The result was the development of a method to create an Extensible Markup Language (XML) file using basic techniques in Microsoft Excel. This provided a low-tech, low/no-cost tool which allowed grantees to quickly create a bulk data file to submit their data, and reduced the time it took to report drastically. These results have been communicated to the entire Head Start grantee population of Michigan, and they are now requesting UICs with their existing capacity.

Planning has begun on a pilot for Michigan's Early Childhood collection. Currently, Head Start grantees can voluntarily submit data to the state in this collection. However, many grantees have expressed difficulty being able to commit the staff and time to input the data. The goal of this pilot will be to develop a method for grantees to be able to quickly and easily submit their information.

Development and improvement of third party, Head Start software developers created challenges for CEPI as well. It was discovered that ChildPlus, the most popular Head Start grantee data software, does not have the capacity to upload UICs back into their database. This required users to manually enter an assigned UIC back into their records. CEPI and ChildPlus crafted several solutions to this problem. The first creates a file that the ChildPlus software uploads to attach the UIC to the student record. The second

option develops a server to server interface, moving the information back and forth either in real time or in batches.

The second largest Head Start data software vendor in Michigan is Child Outcome, Planning & Administration, or COPA. The vendor is currently developing an Application Program Interface (API) in conjunction with CEPI. This will provide users with the ability to report data to the state as easily and quickly as the data is inputted into local data collection software.

Improved Public Reports

Progress was made toward creating new and useful reports using Early Childhood (EC) data. CEPI created an "EC Count of Children Receiving EC Programs and Services" and "Count of Kindergarten Students receiving EC Programs and Services in the Prior Year" to be released on the MI School Data website. CEPI engaged several stakeholders, such as Macomb Intermediate School District, the Michigan League for Public Policy, and the Educational Child Care Center, throughout the process. It is expected that these reports will be published and available for public use in January 2016.

Subsidized Child care

Work has progressed on developing a method to longitudinally track children in Michigan who receive subsidized child care services. The most effective strategy to handle tracking these records is to assign each child with a UIC which follows a child throughout their academic career, regardless of changes to their personally identifiable information. MDHHS collects and houses information on the children receiving the service, while CEPI assigns UICs. In 2015, a bridge between the two state departments was expanded to allow CEPI access to the data needed to complete this task. Testing on matching children for UIC assignment began late in 2015, and the process of assigning children with unique identifiers is scheduled for 2016.

Also in Year 2, ECIC released an RFP to develop a Professional Development Registry system for Michigan. Data elements to be included in Michigan's Professional Development Registry were developed by the Qualifications, Credentials, and Pathways Work Stream, a subgroup of the Professional Development Stakeholder Group, in alignment with the National Workforce Registry Alliance standards. These data elements were accepted by the State's Professional Development Stakeholder Group and approved by OGS. Through the RFP process, a contractor was selected to incorporate Michigan's data elements and general functionality into the contractor's existing Professional Development Registry system. The specific Scope of Work will be developed and contract executed at the beginning of Year 3, with completion of system development by the end of Year 3.

Finally, in Year 2 MDE issued an RFP and identified a contractor to establish a Data Governance Structure for EC data in Michigan. This work is to begin in January 2016. Establishing this structure will ultimately strengthen Michigan's early learning data that will align and is interoperable with the state longitudinal data system.

Data Tables

Commitment to early learning and development.

In the tables that follow, provide updated data on the State's commitment to early learning and development as demonstrated in Section A(1) of the State's RTT-ELC application. Tables A(1) -1 through 3 should be updated with current data. Tables 4 and 5 should provide data for the reporting year as well as previous years of the grant. Tables 6 and 7 may be updated only where significant changes have occurred (if no changes have occurred, you should note that fact).

Table (A)(1)-1: Children from Low-Income¹ families, by age		
	Number of children from Low-Income families in the State	Children from Low-Income families as a percentage of all children in the State
Infants under age 1	52,288	7.7%
Toddlers ages 1 through 2	105,520	15.5%
Preschoolers ages 3 to kindergarten entry	161,574	23.7%
Total number of children, birth to kindergarten entry, from low-income families	319,382	46.5%

¹ Low-Income is defined as having an income of up to 200% of the Federal poverty rate.



Data Table A(1)-1 Data Notes

Enter text here to indicate data source and clarify or explain any of these data if needed.

Derived from US Census Bureau, Current Population Survey, 2015 Annual Social and Economic Supplement, children under 5 years below 200% poverty level (% of children below 200% poverty in age group 0-5), further estimated using Kids Count data center estimates of number of children by age (0-5); percentages derived from Kids Count data center and CEPI estimates of Michigan population of children aged 0-5. This correction to the definition of the data is made per a telephone conversation with federal project officers on 2/9/16.

Table (A)(1)-2: Special populations of Children with High Needs

The State should use these data to guide its thinking about where specific activities may be required to address special populations' unique needs.

Special populations: Children who	Number of children (from birth to kindergarten entry) in the State who...	Percentage of children (from birth to kindergarten entry) in the State who...
Have disabilities or developmental delays ¹	24,868	3.6%
Are English learners ²	21,979	3.2%
Reside on "Indian Lands"	2,327	0.33%
Are migrant ³	1,889	0.28%
Are homeless ⁴	2,156	0.31%
Are in foster care	3,816	0.6%
Other 1 as identified by the State	166,824	24.3%
<i>Describe:</i>	Children at 100% of Poverty or below, 0-5 years old, Rural (Not in a MS 	
Other 2 as identified by the State	111,436	16.2%
<i>Describe:</i>	Children at 100% of Poverty or below, 0-5 years old, Urban (Not in a MS 	

¹For purposes of this Annual Performance Report, children with disabilities or developmental delays are defined as children birth through kindergarten entry that have an Individual Family Service Plan (IFSP) or an Individual Education Plan (IEP).

²For purposes of this Annual Performance Report, children who are English learners are children birth through kindergarten entry who have home languages other than English.

³For purposes of this Annual Performance Report, children who are migrant are children birth through kindergarten entry who meet the definition of "migratory child" in ESEA section 1309(2).

⁴The term "homeless children" has the meaning given the term "homeless children and youths" in section 725(2) of the McKinney-Vento Homeless Assistance Act (425 U.S.C. 11434a(2)).

Data Table A(1)-2 Data Notes

Enter text here to indicate data source and clarify or explain any of these data if needed.

¹ Derived from Kids Count data center, Children Ages 0-5 in Special Education, 2014 <http://www.datacenter.kidscount.org/data/tables/1746-children-ages-0-5-in-special-education>; percentage derived using population estimate of children ages 0-5 in Michigan in 2014.

² Derived from CEPI data request, data found on MI School Data, query: English language learners in Early Childhood programs. US Census Bureau American Fact Finder Table GCT1603 "Percent of People 5 Years and Over Who Speak English Less Than 'Very Well.'" 2010-2014 American Community Survey 5-year Estimates.

"Indian Lands," Derived from Table S0101: AGE AND SEX by Native Lands, 2007-2011 American Community Survey 5-Year Estimates; percentage derived using population estimate of children ages 0-5 in Michigan in 2014.

³ **Migrant,** Derived from CEPI data request; percentage derived using population estimate of children ages 0-5 in Michigan in 2014.

⁴ Derived from Administration for Children & Families report: A Look at Early Childhood Homelessness; percentage derived using population estimate of children ages 0-5 in Michigan in 2014.

Foster care, Derived from MDHHS, youth ages 0-5 who entered Foster Care in 2015; percentage derived using population estimate of children ages 0-5 in Michigan in 2014. Poverty, American FactFinder Table B17001: Poverty Status in the Past 12 Months by Sex By Age; percentage derived using population estimate of children ages 0-5 in Michigan in 2014.

Table (A)(1)-3a: Participation of Children with High Needs in different types of Early Learning and Development Programs, by age

Note: A grand total is not included in this table since some children participate in multiple Early Learning and Development programs.

Number of Children with High Needs participating in each type of Early Learning and Development Program, by age				
Type of Early Learning and Development Program	Infants under age 1	Toddlers ages 1 through 2	Preschoolers ages 3 until kindergarten entry	Total
State-funded preschool	0	0	37,506	37,506
<i>Specify:</i>	Great Start Readiness Program (GSRP)			
<i>Data Source and Year:</i>	GSRP History of Funding 2014-15 program year (funded enrollment)			
Early Head Start and Head Start¹	1,926	5,239	31,336	38,501
<i>Data Source and Year:</i>	Program Information Report (PIR) Cumulative Enrollment for 2014-2015 Reporting year			
Programs and services funded by IDEA Part C and Part B, section 619	1,000	8,987	19,731	29,718
<i>Data Source and Year:</i>	Michigan Student Data System (MSDS)			
Programs funded under Title I of ESEA				
<i>Data Source and Year:</i>	Consolidated State Performance Report: Part 2 for School Year 2013-14			
Programs receiving funds from the State's CCDF program	555	6,019	10,936	17,510
<i>Data Source and Year:</i>	Michigan Department of Education, CDCP data for 2015			
Other 1				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 2				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 3				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 4				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 5				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 6				
<i>Specify:</i>				
<i>Data Source and Year:</i>				

Table (A)(1)-3a - Additional Other rows

Number of Children with High Needs participating in each type of Early Learning and Development Program, by age				
Type of Early Learning and Development Program	Infants under age 1	Toddlers ages 1 through 2	Preschoolers ages 3 until kindergarten entry	Total
Other 7				
<i>Specify:</i>				
<i>Data Source and Year:</i>				
Other 8				
<i>Specify:</i>				
<i>Data Source and Year:</i>				

¹ Including children participating in Migrant Head Start Programs and Tribal Head Start Programs.

Data Table A(1)-3a Data Notes

Enter text here to clarify or explain any of these data if needed.

Head Start/Early Head Start Data obtained from the Office of Head Start - Program Information Report (PIR), Enrollment Statistics Report - 2015.
 GSRP data provided by CEPI data request and reconciled by the Office of Great Start.
 IDEA Part C and Part B, section 619 data provided by CEPI data request
 Title 1 of ESEA - Program level data for Early Childhood Programs utilizing Title 1 funds in Michigan historically has not been tracked. Data reported for the 2014 APR was an estimate based on a per pupil count from an existing data set. Because this data is difficult to replicate accurately it is best to reflect that at this time this data is not available, noting that offices within the Michigan Department of Education are working collaboratively to be able to obtain this data in the future.

Table (A)(1)-3b: Participation of Children in Early Learning and Development Programs in the State, by Race/Ethnicity

Note: Totals are not included in this table since some children participate in multiple Early Learning and Development programs.

Number of Children							
Type of Early Learning and Development Program	Number of Hispanic Children	Number of Non-Hispanic American Indian or Alaska Native Children	Number of Non-Hispanic Asian Children	Number of Non-Hispanic Black or African American	Number of Non-Hispanic Native Hawaiian or Other Pacific Islander Children	Number of Non-Hispanic Children of Two or more races	Number of Non-Hispanic White Children
State-funded preschool	4,060	493	672	11,081	59	1,742	23,065
<i>Specify:</i>	Great Start Readiness Program (GSRP)						
Early Head Start and Head Start ¹	4,859	911	597	12,646	31	3,894	19,874
Early Learning and Development Programs funded by IDEA, Part C	599	72	141	1,563	8	225	6,290
Early Learning and Development Programs funded by IDEA, Part B, section 619	1,237	133	378	2,689	23	538	13,431
Early Learning and Development Programs funded under Title I of ESEA							
Early Learning and Development Programs receiving funds from the State's CCDF program	930	138	41	8,805	3	6	7,131
Other 1							
<i>Describe:</i>							
Other 2							
<i>Describe:</i>							
¹ Including Migrant and Tribal Head Start located in the State.							

Table (A)(1)-3b - Additional Other rows

Number of Children							
Type of Early Learning and Development Program	Number of Hispanic Children	Number of Non-Hispanic American Indian or Alaska Native Children	Number of Non-Hispanic Asian Children	Number of Non-Hispanic Black or African American	Number of Non-Hispanic Native Hawaiian or Other Pacific Islander Children	Number of Non-Hispanic Children of Two or more races	Number of Non-Hispanic White Children
Other 3							
<i>Describe:</i>							
Other 4							
<i>Describe:</i>							
Other 5							
<i>Describe:</i>							
Other 6							
<i>Describe:</i>							
Other 7							
<i>Describe:</i>							
Other 8							
<i>Describe:</i>							

Data Table A(1)-3b Data Notes

Enter text here to indicate data source and clarify or explain any of these data if needed.

GSRP: Data source is MEGS as reported in the 2014-15 GSRP Child Risk Factor Report.

CCDF: Data provided by Department of Education, CDCP data request for year 2015

IDEA Part C and Part B, section 619: Data provided by CEPI data request

Head Start and Early Head Start: Data obtained from the Office of Head Start - Program Information Report (PIR), Enrollment Statistics Report - 2015. Ethnicity and race data are collected separately by Head Start; therefore, the EHS/HS count by race/ethnicity is likely not an unduplicated count, as there is no way to differentiate between Hispanic/Latino or non-Hispanic/Latino ethnicity by racial group.

Title 1 of ESEA - Program level data for Early Childhood Programs utilizing Title 1 funds in Michigan historically has not been tracked. Data reported for the 2014 APR was an estimate based on a per pupil count from an existing data set. Because this data is difficult to replicate accurately it is best to reflect that at this time this data is not available, noting that offices within the Michigan Department of Education are working

collaboratively to be able to obtain this data in the future.

Table (A)(1)-4: Data on funding for Early Learning and Development.

Note: For States that have a biennial State budget, please complete for all fiscal years for which State funds have been appropriated. We are not asking for forecasting, but for actual allocations. Therefore, States that do not have biennial budgets need not complete for years for which appropriations do not yet exist.

Funding for each Fiscal Year					
Type of investment	Baseline	Year One	Year Two	Year Three	Year Four
Supplemental State spending on Early Head Start and Head Start¹	\$691,262	\$791,570	\$705,856		
State-funded preschool	\$109,275,000	\$174,275,000	\$239,275,000		
<i>Specify:</i>	Great Start Readiness Program (GSRP)				
State contributions to IDEA Part C	0	0	0		
State contributions for special education and related services for children with disabilities, ages 3 through kindergarten entry	\$19,767,784	\$20,431,354	\$20,863,437		
Total State contributions to CCDF²	\$51,123,693	\$45,227,916	\$38,745,208		
State match to CCDF Exceeded / Met / Not Met	Exceeded	Not Met	Not Met		
<i>If exceeded, indicate amount by which match was exceeded</i>	\$1,005,842				
TANF spending on Early Learning and Development Programs³	0	0	0		
Other State contributions 1	0	0	0		
<i>Specify:</i>	Great Parents, Great Start (parenting information and education program birth to kindergarten entry)				
Other State contributions 2	\$6,703,915	\$6,449,747			
<i>Specify:</i>	State reimbursements for special education programs and services under rule 340.1755				
Other State contributions 3	\$1,557,221	\$730,873	\$755,355		
<i>Specify:</i>	Section 31a of State School Aid Act: At Risk Early Childhood Instructional Services				
Other State contributions 4	\$15,775,971	\$14,918,745			
<i>Specify:</i>	Medicaid School Based Services (SBS)				
Other State contributions 5	\$17,652,969	\$3,194,711	\$3,508,188		
<i>Specify:</i>	Maternal, Infant and Early Childhood Home Visiting Program (MIECHV)				
Other State contributions 6	\$3,919,284	\$112,610	\$2,682,513		
<i>Specify:</i>	Office of Great Start Supplemental funds				

Table (A)(1)-4 - Additional Other rows

Funding for each Fiscal Year

Type of investment	Baseline	Year One	Year Two	Year Three	Year Four
Other State contributions 7	\$10,900,000	\$10,900,000	\$13,400,000		
<i>Specify:</i>	Early Childhood Block Grant				
Other State contributions 8					
<i>Specify:</i>					
Total State contributions:					

¹ Including children participating in Migrant Head Start Programs and Tribal Head Start Programs.

² Total State contributions to CCDF must include Maintenance of Effort (MOE), State Match, and any State contributions exceeding State MOE or Match.

³ Include TANF transfers to CCDF as well as direct TANF spending on Early Learning and Development Programs.

Data Table A(1)-4 Data Notes

Enter text here to indicate data source and clarify or explain any of these data, including the State's fiscal year end date.

Note: Michigan's fiscal year ends on September 30th.

Supplemental Funding Early Head Start and Head Start: Maternal, Infant, and Early Childhood Home Visiting Program (Title V) funding supporting Head Start and Early Head Start. Data provided by the Michigan Department of Community Health.

State-funded preschool: Great Start Readiness Program - GSRP History of Funding 2014-15.

State Contributions to IDEA Part C: See state reimbursements for programs for special education and related services for children with disabilities, ages birth to age three under rule 340.1755.

State contributions for special education and related services for children with disabilities, ages 3 through kindergarten entry: Office of Special Education calculation for programs under Michigan Administrative Rule 340.1754.

Total State contributions to CCDF and State match to CCDF: ACF-696 4th Quarter Report. The state's contributions to CCDF dropped in Michigan because funding is appropriated through a caseload consensus process. Funds are appropriated to cover the cost of cases. As our cases have decreased so has our funding appropriation, which means not all of our federal funding is appropriated each year. State General Fund contribution is based on the appropriated amount, not the federal award amount.

TANF Spending on Early Learning and Development Programs: Michigan does not directly appropriate TANF funding to directly support the care of children.

State reimbursements for programs for special education and related services for children with disabilities, ages birth to age three under rule 340.1755: Office of Special Education calculation for programs under Michigan Administrative Rule 340.1755. Special education expenses are driven by the Individualized Family Service Plan (IFSP) for each child/student, and thus fluctuates from year-to-year dependent on the number of children receiving services, as well as the intensity and duration of the delivery of the services written on the IFSP.

Great Parents, Great Start: Originally appropriated under State School Aid Act

section 32j, Great Parents, Great Start funds were collapsed into the Early Childhood Block Grant in 2012. Great Parents, Great Start is a parent involvement and education program for families with children from ages birth to kindergarten entry.

Section 31a of State School Aid Act: At Risk Early Childhood Instructional Services: As of 2/15/2016 data were not yet available. 2014 is an estimate based on programs receiving funding from 31a.

Medicaid School Based Services (SBS): Program helps defray some of the costs of health care and related services delivered to students under IDEA Part B, section 619 and C. Historical funding provided by the Michigan Department of Community Health, latest data available is for 2014. As of 2/15/2016 data were not yet available for calendar year 2015.

Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV): MIECHV funding, based on federal awards made to Michigan for the federal grant year. (This does not represent how much funding we have to spend during a particular spending period, only new federal awards that were made during the time frame.) FY2014 is the most recent data available. Data provided by MDHHS. The figure reported regarding the MIECHV does not represent the state contribution to MIEHCV, it represents the amount of the federal MIECHV award to Michigan in the specific reporting year. In FY2013, the state received a large 3-year MIECHV Competitive grant plus the annual Formula grant; in FY2014, only the Formula grant was received. The federal MIECHV awards are included in this chart because they, in turn, contribute to the overall effort in the state to implement a comprehensive early childhood system e.g., home visiting - regardless of fund source - is a resource that contributes to the comprehensive early childhood system.

Office of Great Start Supplemental Funds: Funds for the development of a kindergarten entry status assessment and implementation of Great Start to Quality were appropriated in P.A. 29 of 2012. Funding was made available through 9/30/2015, at a total of \$12,500,000 over the course of three years. Data provided reflects actual expenditures for each year 2013 through 2015. Numbers reported for 2014 and 2015 are corrections to reflect amount of actual expenditures in each year, not including indirect costs.

Early Childhood Block Grant: Funds are appropriated under section 32p of the State School Aid Act.

Table (A)(1)-5: Historical data on the participation of Children with High Needs in Early Learning and Development Programs in the State

Note: Totals are not included in this table since some children participate in multiple Early Learning and Development programs. However, the current year should match the program totals reported in Table (A)(1)-3a.

Total number of Children with High Needs participating in each type of Early Learning and Development Program¹					
Type of Early Learning and Development Program	Baseline	Year One	Year Two	Year Three	Year Four
State-funded preschool (annual census count; e.g., October 1 count)	23,879	30,517	37,506		
<i>Specify:</i>	Great Start Readiness Program (GSRP) (funded enrollment)				
Early Head Start and Head Start² (funded enrollment)	37,313	41,310	34,255		
Programs and services funded by IDEA Part C and Part B, section 619 (annual December 1 count)	30,289	29,718	21,042		
Programs funded under Title I of ESEA (total number of children who receive Title I services annually, as reported in the Consolidated State Performance Report)	11,677	8,440	8,264		
Programs receiving CCDF funds (average monthly served)	27,215	23,635	17,510		
Other 1	8,458	0	0		
<i>Describe:</i>	Great Parents, Great Start (GPGS)				
Other 2	1,584	1,296	1,752		
<i>Describe:</i>	Section 31a of State School Aid Act: At Risk Early Childhood Instructional Servi				
Other 3					
<i>Describe:</i>					
Other 4					
<i>Describe:</i>					
Other 5					
<i>Describe:</i>					
Other 6					
<i>Describe:</i>					
Other 7					
<i>Describe:</i>					
Other 8					
<i>Describe:</i>					

¹ Include all Children with High Needs served with both Federal dollars and State supplemental dollars.

² Including children participating in Migrant Head Start Programs and Tribal Head Start Programs.

Data Table A(1)-5 Data Notes

Enter text here to indicate data source and clarify or explain any of these data if needed. Include current year if data are available.

GSRP: Data provided by CEPI data request and reconciled by the Office of Great Start. Baseline and Year 1 data has been amended to reflect the actually number of children served versus slots as was initially reported in the 2014 APR.
IDEA Parts C and B: Data provided by CEPI data request
Early Head Start and Head Start: Data obtained from the Office of Head Start - Program Information Report (PIR), Enrollment Statistics Report - 2015. Number reflects number of slots available. Count is not unduplicated and represents the number of slots available.
Section 31a data provided by Office of Field Services

Table (A)(1)-6: Current status of the State's Early Learning and Development Standards

Please place an "X" in the boxes to indicate where the State's Early Learning and Development Standards address the different age groups by Essential Domain of School Readiness.

Essential Domains of School Readiness	Age Groups		
	Infants	Toddlers	Preschoolers
Language and literacy development	X	X	X
Cognition and general knowledge (including early math and early scientific development)	X	X	X
Approaches toward learning	X	X	X
Physical well-being and motor development	X	X	X
Social and emotional development	X	X	X

Data Table A(1)-6 Notes

Enter text to explain or clarify information as needed.

Table (A)(1)-7: Elements of a Comprehensive Assessment System currently required within the State.

Please place an "X" in the boxes to indicate where an element of a Comprehensive Assessment System is currently required.

Types of programs or systems	Elements of a Comprehensive Assessment System				
	Screening Measures	Formative Assessments	Measures of Environmental Quality	Measures of the Quality of Adult-Child Interactions	Other
State-funded preschool	X	X	X	X	
<i>Specify:</i>	Great Start Readiness Program (GSRP)				
Early Head Start and Head Start ¹	X	X	X	X	X
Programs funded by IDEA, Part C	X	X			X
Programs funded by IDEA, Part B, section 619		X	X	X	X
Programs funded under Title I of ESEA	X	X	X	X	
Programs receiving CCDF funds	X	X	X	X	
Current Quality Rating and Improvement System requirements (Specify by tier)	X	X	X	X	
Tier 1					
Tier 2	X	X	X	X	
Tier 3	X	X	X	X	
Tier 4	X	X	X	X	
Tier 5	X	X	X	X	
State licensing requirements	X	X	X	X	
Other 1	X	X	X	X	
<i>Describe:</i>	Great Parents, Great Start (GPGS)				
Other 2					
<i>Describe:</i>					
Other 3					
<i>Describe:</i>					
Other 4					
<i>Describe:</i>					
Other 5					
<i>Describe:</i>					
¹ Including Migrant and Tribal Head Start located in the State.					

Table (A)(1)-7 - Additional Other rows

Types of programs or systems	Elements of a Comprehensive Assessment System				
	Screening Measures	Formative Assessments	Measures of Environmental Quality	Measures of the Quality of Adult-Child Interactions	Other
Other 6					
<i>Describe:</i>					
Other 7					
<i>Describe:</i>					
Other 8					
<i>Describe:</i>					

Data Table A(1)-7 Notes

Enter text here to clarify or explain any of the data if needed.

Budget and Expenditures

Budget Summary Table Narrative

Please provide a brief explanation of any discrepancies between the State's approved budget and its total expenditures for the reporting year.

In 2015, Michigan spent 21.15% or \$3,391,311.72 of the allocated funding within the Year Two budget. The total budget available in Year Two and associated spending was reflective of the hiring of key positions for grant implementation, establishment of a number of contracts, and progress on the scope of work within several of the projects.

The following items have contributed to under spending the total Year 2 allocation:

- Across the Year Two project budgets, there was a total of \$613,276.57 in unspent staffing funds due to the delay on all projects resulting from the time it took in Year 1 to establish the infrastructure for the grant. Furthermore, turnover in project management staff in Year 2 has contributed to unexpended funds. Staffing has also been impacted by the 2015 merge of the Department of Human Services and Department of Community Health;
- Fringe benefit costs were also less than anticipated, with \$481,979.42 in unexpended funds. This cost reduction can be attributed to actual benefits coming in under projections as positions were hired, as well as delayed hiring;
- Given the delay on some aspects of the scope of work, budgeted travel was underspent by \$55,469.83. Years 3 and 4 of the grant will rely more heavily on travel funds, especially given the need to engage stakeholders statewide in a geographically diverse state;
- Supplies funding was underspent by \$34,212.07 due to delays in staff hiring;
- Training Stipends were budgeted for \$2,000, and \$0 was spent due to delay in hiring lead staff for Project 3;
- Contractual costs were underspent by \$7,903,563.12 because of delays within the scope of work resulting from the time required during Year One to establish the infrastructure for the grant. Turnover of project management staff during Year 2 also contributed to underspending of contractual costs.

Michigan plans to distribute Year 2 unspent funds from travel, equipment, supplies, training stipends, and other lines into Year 3.

Budget Summary Table Explanation of Changes

Please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.



Project Budget 1

Project Name: Grant Management and Governance

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

During Year 2, there was turnover in two project management staff with a three- to four-month gap between filling positions. This turnover led to delays in filling other budgeted positions. Due to these factors, expenditures in personnel, fringe benefits, travel, equipment and indirect costs were lower than estimated.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 2

Project Name: Improving Quality through Increased Participation in Great Start to Quality

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

Due to the delay in filling positions in Year 1, the planning and implementation for awarding Quality Improvement Grants and Provider Incentives for GSO participation took longer than originally planned. Grants and Bonuses are now expected to fully launch in Year 3.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 3

Project Name: Promotion of Physical and Social-Emotional Health

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

Due to the merge of the Department of Human Services and Department of Community Health, delays occurred in filling the lead positions for this scope of work.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 4

Project Name: Enhancing Great Start to Quality System

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

Turnover in project management staff during Year 2 delayed progress on the scope of work for Project 4.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 5

Project Name: Improving the Early Learning Child Care Workforce

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

Scholarship dollars budgeted for Year 2 were underspent. A contractor was identified at the end of Year 2 to generate a marketing strategy to increase utilization of the scholarship dollars in Year 3.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 6

Project Name: Measuring Outcomes for Children, Programs, & Educators

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

Due to the delay in filling positions in Year 1, progress on the scope of work for Project 6 was delayed. Establishing the Professional Development Registry during Year 2 was delayed, with a contract in place to begin the work in Year 3.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 7

Project Name: Increasing Family Engagement

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

The lead position for the majority of Project 7 scope of work was not identified until the end of Year 2, to be hired in the beginning of Year 3.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly.

Project Budget 8

Project Name: _____

Project Budget Narrative

For this project, please provide an explanation of any discrepancies between the State's approved budget and expenditures for the reporting year.

THE MICHIGAN RTT-ELC APPLICATION INCLUDED 7 PROJECTS.
PAGES 86-107 HAVE BEEN DELETED.

Project Budget Explanation of Changes

For this project, please describe any substantive changes that you anticipate to the State RTT-ELC budget in the upcoming year.

RTT-ELC Budget Summary of Actual Expenditures

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$108,559.70	\$580,920.73	\$0.00	\$0.00	\$689,480.43
2. Fringe Benefits	\$65,169.92	\$381,597.04	\$0.00	\$0.00	\$446,766.96
3. Travel	\$2,837.04	\$14,893.13	\$0.00	\$0.00	\$17,730.17
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$5,896.86	\$21,108.07	\$0.00	\$0.00	\$27,004.93
6. Contractual	\$121,059.25	\$1,926,199.63	\$0.00	\$0.00	\$2,047,258.88
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$4,528.59	\$155,500.11	\$0.00	\$0.00	\$160,028.70
9. Total Direct Costs (add lines 1-8)	\$308,051.36	\$3,080,218.71	\$0.00	\$0.00	\$3,388,270.07
10. Indirect Costs*	\$20,946.04	\$161,655.03	\$0.00	\$0.00	\$182,601.07
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$21,911.86	\$122,878.75	\$0.00	\$0.00	\$144,790.61
12. Funds set aside for participation in grantee technical assistance	\$15,649.08	\$25,803.61	\$0.00	\$0.00	\$41,452.69
13. Total Grant Funds Requested (add lines 9-12)	\$366,558.34	\$3,390,556.10	\$0.00	\$0.00	\$3,757,114.44
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$366,558.34	\$3,390,556.10	\$0.00	\$0.00	\$3,757,114.44

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

Line 6: Show the amount of funds allocated through contracts with vendors for products to be acquired and/or professional services to be provided. A State may apply its indirect cost rate only against the first \$25,000 of each contract included in line 6.

Line 10: If the State plans to request reimbursement for indirect costs, complete the Indirect Cost Information form at the end of this Budget section. Note that indirect costs are not allocated to line 11.

Line 11: Show the amount of funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners through MOUs, interagency agreements, contracts, or other mechanisms authorized by State procurement laws. States are not required to provide budgets for how the localities, Early Learning Intermediary Organizations, Participating Programs, and other partners will use these funds. However, the Departments expect that, as part of the administration and oversight of the grant, States will monitor and track all expenditures to ensure that localities, Early Learning Intermediary Organizations, Participating Programs, and other partners spend these funds in accordance with the State Plan.

Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

Line 13: This is the total funding requested under this grant.

Line 14: Show total funding from other sources (including Federal, State, private, or local) being used to support the State Plan and describe these funding sources in the budget narrative.

Actual Expenditures for Project 1 - Create a comprehensive governance/advisory structure that will coordinate and streamline the early learning system in Michigan through strong leadership, stakeholder involvement, and a multi-agency coordination plan.

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$80,753.88	\$326,971.24	\$0.00	\$0.00	\$407,725.12
2. Fringe Benefits	\$57,871.43	\$253,620.59	\$0.00	\$0.00	\$311,492.02
3. Travel	\$1,526.72	\$338.88	\$0.00	\$0.00	\$1,865.60
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$5,638.78	\$14,861.25	\$0.00	\$0.00	\$20,500.03
6. Contractual	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$4,232.00	\$0.00	\$0.00	\$0.00	\$4,232.00
9. Total Direct Costs (add lines 1-8)	\$150,022.81	\$595,791.96	\$0.00	\$0.00	\$745,814.77
10. Indirect Costs*	\$13,572.72	\$66,530.97	\$0.00	\$0.00	\$80,103.69
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$21,911.86	\$122,878.75	\$0.00	\$0.00	\$144,790.61
12. Funds set aside for participation in grantee technical assistance	\$15,649.08	\$25,803.61	\$0.00	\$0.00	\$41,452.69
13. Total Grant Funds Requested (add lines 9-12)	\$201,156.47	\$811,005.29	\$0.00	\$0.00	\$1,012,161.76
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$201,156.47	\$811,005.29	\$0.00	\$0.00	\$1,012,161.76

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

Line 6: Show the amount of funds allocated through contracts with vendors for products to be acquired and/or professional services to be provided. A State may apply its indirect cost rate only against the first \$25,000 of each contract included in line 6.

Line 10: If the State plans to request reimbursement for indirect costs, complete the Indirect Cost Information form at the end of this Budget section. Note that indirect costs are not allocated to line 11.

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Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

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Actual Expenditures for Project 2 - Develop and implement effective strategies for improving the quality of early learning environments, across provider types, through increased participation in Great Start to Quality (GSQ), Michigan's tiered Quality Rating and Improvement System (QRIS)

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$22,748.25	\$176,130.11	\$0.00	\$0.00	\$198,878.36
2. Fringe Benefits	\$6,065.27	\$95,827.83	\$0.00	\$0.00	\$101,893.10
3. Travel	\$1,310.32	\$14,554.25	\$0.00	\$0.00	\$15,864.57
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$258.08	\$6,246.82	\$0.00	\$0.00	\$6,504.90
6. Contractual	\$0.00	\$736,562.54	\$0.00	\$0.00	\$736,562.54
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$296.59	\$153,331.94	\$0.00	\$0.00	\$153,628.53
9. Total Direct Costs (add lines 1-8)	\$30,678.51	\$1,182,653.49	\$0.00	\$0.00	\$1,213,332.00
10. Indirect Costs*	\$4,601.78	\$52,590.71	\$0.00	\$0.00	\$57,192.49
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$35,280.29	\$1,235,244.20	\$0.00	\$0.00	\$1,270,524.49
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$35,280.29	\$1,235,244.20	\$0.00	\$0.00	\$1,270,524.49

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

Line 6: Show the amount of funds allocated through contracts with vendors for products to be acquired and/or professional services to be provided. A State may apply its indirect cost rate only against the first \$25,000 of each contract included in line 6.

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Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

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Actual Expenditures for Project 3 - Support an early learning and development system that meets the physical and social-emotional health development needs of young children, and increases the availability of high quality early learning and development programs--particularly for families and children in Pathways to Potential communities

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$0.00	\$4,679.90	\$0.00	\$0.00	\$4,679.90
2. Fringe Benefits	\$0.00	\$1,985.06	\$0.00	\$0.00	\$1,985.06
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Contractual	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. Total Direct Costs (add lines 1-8)	\$0.00	\$6,664.96	\$0.00	\$0.00	\$6,664.96
10. Indirect Costs*	\$0.00	\$1,180.24	\$0.00	\$0.00	\$1,180.24
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$0.00	\$7,845.20	\$0.00	\$0.00	\$7,845.20
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$0.00	\$7,845.20	\$0.00	\$0.00	\$7,845.20

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

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Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

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Actual Expenditures for Project 4 - Support an early learning system that enhances access for families and children to high-quality early learning programs and services.

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$2,179.34	\$37,626.50	\$0.00	\$0.00	\$39,805.84
2. Fringe Benefits	\$308.32	\$16,102.98	\$0.00	\$0.00	\$16,411.30
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Contractual	\$0.00	\$146,911.50	\$0.00	\$0.00	\$146,911.50
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$2,168.17	\$0.00	\$0.00	\$2,168.17
9. Total Direct Costs (add lines 1-8)	\$2,487.66	\$202,809.15	\$0.00	\$0.00	\$205,296.81
10. Indirect Costs*	\$373.16	\$20,001.32	\$0.00	\$0.00	\$20,374.48
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$2,860.82	\$222,810.47	\$0.00	\$0.00	\$225,671.29
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$2,860.82	\$222,810.47	\$0.00	\$0.00	\$225,671.29

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

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Actual Expenditures for Project 5 - Support access to highly qualified early childhood educators for all children in Michigan

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Contractual	\$120,675.38	\$886,490.86	\$0.00	\$0.00	\$1,007,166.24
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. Total Direct Costs (add lines 1-8)	\$120,675.38	\$886,490.86	\$0.00	\$0.00	\$1,007,166.24
10. Indirect Costs*	\$1,825.00	\$1,825.00	\$0.00	\$0.00	\$3,650.00
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$122,500.38	\$888,315.86	\$0.00	\$0.00	\$1,010,816.24
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$122,500.38	\$888,315.86	\$0.00	\$0.00	\$1,010,816.24

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

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Actual Expenditures for Project 6 - Build an early learning data system that provides information (anonymously and in aggregate) on children across departments and programs and allows the State to assess programs' value to parents and children.

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$2,878.23	\$35,512.98	\$0.00	\$0.00	\$38,391.21
2. Fringe Benefits	\$924.90	\$14,060.58	\$0.00	\$0.00	\$14,985.48
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Contractual	\$383.87	\$146,353.52	\$0.00	\$0.00	\$146,737.39
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. Total Direct Costs (add lines 1-8)	\$4,187.00	\$195,927.08	\$0.00	\$0.00	\$200,114.08
10. Indirect Costs*	\$573.38	\$17,813.73	\$0.00	\$0.00	\$18,387.11
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$4,760.38	\$213,740.81	\$0.00	\$0.00	\$218,501.19
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$4,760.38	\$213,740.81	\$0.00	\$0.00	\$218,501.19

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

Line 6: Show the amount of funds allocated through contracts with vendors for products to be acquired and/or professional services to be provided. A State may apply its indirect cost rate only against the first \$25,000 of each contract included in line 6.

Line 10: If the State plans to request reimbursement for indirect costs, complete the Indirect Cost Information form at the end of this Budget section. Note that indirect costs are not allocated to line 11.

Line 11: Show the amount of funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners through MOUs, interagency agreements, contracts, or other mechanisms authorized by State procurement laws. States are not required to provide budgets for how the localities, Early Learning Intermediary Organizations, Participating Programs, and other partners will use these funds. However, the Departments expect that, as part of the administration and oversight of the grant, States will monitor and track all expenditures to ensure that localities, Early Learning Intermediary Organizations, Participating Programs, and other partners spend these funds in accordance with the State Plan.

Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

Line 13: This is the total funding requested under this grant.

Line 14: Show total funding from other sources (including Federal, State, private, or local) being used to support the State Plan and describe these funding sources in the budget narrative.

Actual Expenditures for Project 7 - Invest in intensive family engagement and support strategies designed to increase access to high-quality early learning and development programs with an emphasis in Pathways to Potential (P2P) communities

Budget Categories	Grant Year 1 (a)	Grant Year 2 (b)	Grant Year 3 (c)	Grant Year 4 (d)	Total (e)
1. Personnel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5. Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Contractual	\$0.00	\$9,881.21	\$0.00	\$0.00	\$9,881.21
7. Training Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. Total Direct Costs (add lines 1-8)	\$0.00	\$9,881.21	\$0.00	\$0.00	\$9,881.21
10. Indirect Costs*	\$0.00	\$1,713.06	\$0.00	\$0.00	\$1,713.06
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs and other partners.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12. Funds set aside for participation in grantee technical assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. Total Grant Funds Requested (add lines 9-12)	\$0.00	\$11,594.27	\$0.00	\$0.00	\$11,594.27
14. Funds from other sources used to support the State Plan	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15. Total Statewide Budget (add lines 13-14)	\$0.00	\$11,594.27	\$0.00	\$0.00	\$11,594.27

Columns (a) through (d): For each grant year for which funding is requested, show the total amount requested for each applicable budget category.

Column (e): Show the total amount requested for all grant years.

Line 6: Show the amount of funds allocated through contracts with vendors for products to be acquired and/or professional services to be provided. A State may apply its indirect cost rate only against the first \$25,000 of each contract included in line 6.

Line 10: If the State plans to request reimbursement for indirect costs, complete the Indirect Cost Information form at the end of this Budget section. Note that indirect costs are not allocated to line 11.

Line 11: Show the amount of funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners through MOUs, interagency agreements, contracts, or other mechanisms authorized by State procurement laws. States are not required to provide budgets for how the localities, Early Learning Intermediary Organizations, Participating Programs, and other partners will use these funds. However, the Departments expect that, as part of the administration and oversight of the grant, States will monitor and track all expenditures to ensure that localities, Early Learning Intermediary Organizations, Participating Programs, and other partners spend these funds in accordance with the State Plan.

Line 12: The State must set aside \$400,000 from its grant funds for the purpose of participating in RTT-ELC grantee technical assistance activities facilitated by ED or HHS. This is primarily to be used for travel and may be allocated to Participating State Agencies evenly across the four years of the grant.

Line 13: This is the total funding requested under this grant.

Line 14: Show total funding from other sources (including Federal, State, private, or local) being used to support the State Plan and describe these funding sources in the budget narrative.



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

BRIAN J. WHISTON
STATE SUPERINTENDENT

MEMORANDUM

DATE: May 2, 2016
TO: Ngozi Lawal, USDHHS; Katie Chase, USDE
FROM: Susan Broman, Deputy Superintendent *SB*
SUBJECT: RTT-ELC Budget Amendment Request

The Michigan Department of Education is requesting to amend the Year 3 Race to the Top – Early Learning Challenge (RTT-ELC) grant budget by carrying over Year 2 unexpended funds into the same categories for Year 3. Further review of the progress on the overall RTT-ELC Scope of Work will occur during Year 3 to determine budget projections for Year 4 as well as to identify opportunities for repurposing dollars.

In 2015, Michigan spent 21.15% or \$3,391,312 of the allocated funding within the Year 2 budget. The total budget available in Year 2 and associated spending was reflective of the hiring of key positions for grant implementation, establishing a number of contracts, and progressing on the scope of work within several of the projects.

The following items have contributed to under spending the total Year 2 allocation:

- Across the Year 2 project budgets, there was a total of \$613,277 in unspent staffing funds due to the delay on all projects resulting from the time it took in Year 1 to establish the infrastructure for the grant. Furthermore, turnover in project management staff in Year 2 has contributed to unexpended funds. Staffing has also been impacted by the 2015 merge of the Department of Human Services and Department of Community Health;
- Fringe benefit costs were also less than anticipated, with \$481,979 in unexpended funds. This cost reduction can be attributed to actual benefits coming in under projections as positions were hired, as well as delayed hiring;

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Ngozi Lawal, Katie Chase

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- Given the delay on some aspects of the scope of work, budgeted travel was underspent by \$55,470. Years 3 and 4 of the grant will rely more heavily on travel funds, especially given the need to engage stakeholders statewide in a geographically-diverse state;
- Supplies funding was underspent by \$34,212 due to delays in staff hiring;
- Training Stipends were budgeted for \$2,000, and \$0 was spent due to delay in hiring lead staff for Project 3; and
- Contractual costs were underspent by \$7,903,563 because of delays within the scope of work resulting from the time required during Year 1 to establish the infrastructure for the grant. Turnover of project management staff during Year 2 also contributed to underspending of contractual costs.

Michigan plans to distribute Year 2 unspent funds from travel, equipment, supplies, training stipends, and other lines into Year 3. At this time Michigan does not anticipate substantive changes in the budget for Year 3. The Year 2 budget rollover will be added to the Year 3 budget to support the payment for program work that was delayed into Year 3. Timelines for the scope of work are being adjusted accordingly. Overall budget details covering the four-year grant period are available in GRADS 360, while the proposed Year 3 budget details by project are attached to this document.

Attachment

For Project 1, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to turnover in two project management staff with a three- to four-month gap between filling positions. This turnover led to delays in filling other budgeted positions. Because of these factors, expenditures in personnel, fringe benefits, travel, equipment and indirect costs were lower than estimated. Therefore, Michigan proposes the following Year 3 Budget for Project 1 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to
	12/31/2016 Budgeted
1. Personnel	\$833,564
2. Fringe Benefits	\$681,539
3. Travel	\$57,134
4. Equipment	\$0.00
5. Supplies	\$39,634
6. Contractual	\$46,727
7. Training Stipends	\$0
8. Other	\$78,118
9. Total Direct Costs	\$1,736,717
10. Indirect Costs	\$120,982
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$437,521
12. Funds set aside for participation in grantee technical assistance	\$232,547
13. Total Grant Funds Requested	\$2,527,768
14. Funds from other sources used to support the State Plan	\$0
15. Total Statewide Budget	\$2,527,768

For Project 2, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to the delay in filling positions in Year 1, and that planning and implementation for awarding Quality Improvement Grants and Provider Incentives for GSQ participation took longer than originally planned. Grants and Bonuses are now expected to fully launch in Year 3. Therefore, Michigan proposes the following Year 3 Budget for Project 2 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$177,688
2. Fringe Benefits	\$60,407
3. Travel	\$34,135
4. Equipment	\$0
5. Supplies	\$19,145
6. Contractual	\$5,343,017
7. Training Stipends	\$0
8. Other	\$3,757,098.47
9. Total Direct Costs	\$9,391,491
10. Indirect Costs	\$176,174
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$35,927
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$9,603,592
14. Funds from other sources used to support the State Plan	\$0
15. Total Statewide Budget	\$9,603,592

For Project 3, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to the merge of the Department of Human Services and Department of Community Health, delaying the hiring of the lead positions for this scope of work. Therefore, Michigan proposes the following Year 3 Budget for Project 3 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$624,602
2. Fringe Benefits	\$501,441
3. Travel	\$23,600
4. Equipment	\$0
5. Supplies	\$8,100
6. Contractual	\$2,800,055
7. Training Stipends	\$5,000
8. Other	\$24,963
9. Total Direct Costs	\$3,987,761
10. Indirect Costs	\$73,624
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$0
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$4,061,385
14. Funds from other sources used to support the State Plan	\$75,000
15. Total Statewide Budget	\$4,136,385

For Project 4, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to turnover in project management staff during Year 2, delaying progress on activities within the scope of work. Therefore, Michigan proposes the following Year 3 Budget for Project 4 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$15,655
2. Fringe Benefits	\$7,493
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$4,214,529
7. Training Stipends	\$0
8. Other	\$101,832
9. Total Direct Costs	\$4,339,508
10. Indirect Costs	\$5,301
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$0
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$4,344,809
14. Funds from other sources used to support the State Plan	\$0
15. Total Statewide Budget	\$4,344,809

For Project 5, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to scholarship dollars budgeted for Year 2 being underspent. A contractor was identified at the end of Year 2 to generate a marketing strategy to increase utilization of the scholarship dollars in Year 3. Therefore, Michigan proposes the following Year 3 Budget for Project 5 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$0
2. Fringe Benefits	\$0
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$2,816,142
7. Training Stipends	\$0
8. Other	\$0
9. Total Direct Costs	\$2,816,142
10. Indirect Costs	\$400
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$0
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$2,816,542
14. Funds from other sources used to support the State Plan	\$0
15. Total Statewide Budget	\$2,816,542

For Project 6, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to the delay in filling positions in Year 1. Additionally, establishing the Professional Development Registry during Year 2 was delayed, with a contract in place to begin the work in Year 3. Therefore, Michigan proposes the following Year 3 Budget for Project 6 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$100,555
2. Fringe Benefits	\$44,145
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$3,184,563
7. Training Stipends	\$0
8. Other	\$0
9. Total Direct Costs	\$3,329,262
10. Indirect Costs	\$31,494
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$0
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$3,360,756
14. Funds from other sources used to support the State Plan	\$400,000
15. Total Statewide Budget	\$3,760,756

For Project 7, discrepancies between the State's approved budget and expenditures for the reporting year are primarily due to a delay in filling the lead position for the majority of Project 7 scope of work. This individual was hired in the beginning of Year 3. Therefore, Michigan proposes the following Year 3 Budget for Project 7 reflective of carry-over of Year 2 unspent funds:

Categories	Year 3: 1/1/2016 to 12/31/2016
	Budgeted
1. Personnel	\$0
2. Fringe Benefits	\$0
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$1,270,126
7. Training Stipends	\$0
8. Other	\$0
9. Total Direct Costs	\$1,270,126
10. Indirect Costs	\$24,936
11. Funds to be distributed to localities, Early Learning Intermediary Organizations, Participating Programs, and other partners	\$2,279,521
12. Funds set aside for participation in grantee technical assistance	\$0
13. Total Grant Funds Requested	\$3,574,583
14. Funds from other sources used to support the State Plan	\$0
15. Total Statewide Budget	\$3,574,583