

PDG B-5 Technical Assistance Center

Preschool Development Grant Birth through Five Subgrants to Enhance Quality and Expand Access to Existing and New Programs

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Introduction

This resource is designed to increase Preschool Development Grant Birth through Five (PDG B-5) grantees' knowledge of what subgrants are, provide examples of subgrants that grantees may award under this grant opportunity, and share best practices for identifying and administering subgrants. This guidance aligns with the 2022 PDG B-5 Renewal Grant Notice of Funding Opportunity.

Overview of PDG B-5 Subgrants

You may use subawards and contracts to support the implementation of all activities funded by your PDG B-5 grants. The [Code of Federal Regulations Title 45 Part 75](#) details the U.S. Department of Health and Human Services' Administration for Children and Families requirements on contractor and subrecipient determination and monitoring.

The PDG B-5 Renewal Grant *Activity 6 Subgrants to Enhance Quality and Expand Access to Existing and New Programs* describes a specific subset of subawards/contracts. Under *Activity 6*, subawards must focus on increasing access to or improving programs and services for underserved children. In deciding how to use subgrants, you must prioritize activities to improve services for low-income and disadvantaged children living in rural areas according to needs identified by the state. You should make subgrant opportunities available to groups that are diverse in terms of race, ethnicity, disability, housing status, and geography. We also encourage you to consider using subgrants to build capacity for high-quality infant-toddler services if that is needed in your state or territory. The [Every Student Succeeds Act \(PDG B-5 statute\)](#) provides more information on subgrants (see section (g) Renewal Grants, subsection (6) Additional Activities).

Existing Subgrant Categories

Activity 6 defines three subgrant categories. You may choose to subgrant under any or all categories.

1. **Subgrant Opportunity A.** is designed to expand access to existing programs. Under this option, subgrants are given directly to local programs in targeted communities to expand access to existing programs across the state or territory.
2. **Subgrant Opportunity B.** is intended to develop new early childhood programs to meet the unique and unmet needs of children and families in communities across the state or territory. Under this option, subgrants are issued to local programs to develop new early childhood care and education (ECCE) programs in a mixed delivery system to address the needs of children and families eligible for, but not served by, early childhood programs.
3. **Subgrant Opportunity C.** is expected to enhance the quality of existing programs. Under this option, subgrants are issued to local programs to improve the quality of their existing programs.

If you use PDG B-5 funding for subgrants, you must prioritize areas with state- or territory-identified needs to improve services for low-income and disadvantaged children, with particular attention to those living in rural areas. Subgrants should align with the goals and objectives outlined in your state or territory strategic plan.

Budget

You may use up to 60 percent of your annual grant award during the first year of the project period, and up to 75 percent in Years 2 and 3, for subgrants.

PDG B-5 Grantee and Subgrantee Responsibilities

As the primary PDG B-5 funding recipient, you are responsible for the oversight of all programmatic, financial, and administrative matters related to the grant, including reporting and oversight of these matters as they relate to the subrecipient(s). In addition, you must maintain a substantive role in the project. The Administration for Children and Families defines a substantive role as conducting activities and/or providing services funded under the award that are necessary and integral to the project's completion.

Subgranting Approaches

You are encouraged to select subgrant activities that best meet the needs of your state or territory. Subgrants should align to your comprehensive PDG B-5 needs assessment and the goals and objectives in your strategic plan. As you identify strategies, you may also consider the following:

- **Budget:** Consider the amount of funding each subgrantee will require to achieve the subgrant's goals. Are there potential costs associated with the subgrant that are not allowable under PDG B-5 (e.g., capital improvements) that will require other funding sources? Can PDG B-5 funding be braided or blended with other funding (PDG B-5 funding should supplement, not supplant, existing funds)?
- **Timeline:** Subgrant timelines should include time to finalize the subgrant approach, procure subawards/contractors, and implementation of the project. Consider how much time each process requires and the impact of possible delays on the administration of the subgrant.
- **Capacity:** Determine if your agency has processes, systems, and infrastructure in place to administer and monitor subgrants or if this must be developed (e.g., procurement documents, technical assistance support, reporting/evaluation tools). Consider the capacity of subgrantees to administer subgrants, including potential needs to hire additional staff, procure subcontractors, and/or invest in infrastructure.
- **Sustainability:** Identify the purpose of the subgrant and if investments require ongoing funding (e.g., a one-time investment to build infrastructure or increase capacity, a pilot project to inform future investments, or an expansion of existing programs and services). Consider the impact on children, families, and the workforce if additional resources are not available to scale or sustain the subgrant at the end of the PDG B-5 project period.

Sample Strategies

PDG B-5 grantees have the flexibility to propose subgrant strategies that address the unique needs of their state or territory. The following list provides examples of subgrants offered by PDG B-5 grantees in 2023. This is not an exhaustive list, but it is intended to demonstrate the breadth of possibilities available to you.

Examples for Subgrant Opportunity A (expand access to existing programs)

- Increase the number of licensed ECCE programs, the number of available slots, and/or the length and duration of services (e.g., nontraditional hours).
- Increase services for infants and toddlers and children with disabilities.
- Expand Early Head Start–Child Care Partnerships or convert Head Start slots to Early Head Start slots.
- Expand home visiting services in unserved areas using triage models of care or universally offered home visiting.
- Work with Title V Maternal and Child Health Services Block Grant recipients to support/expand successful implementation of family peer support services.

Examples for Subgrant Opportunity B (develop new early childhood programs)

- Create or expand pilot programs with new partners (i.e., housing, small business associations).
- Build more effective partnerships in child care deserts. Offer community innovation grants to open new child care facilities across the mixed delivery system, particularly in rural, tribal, or other underserved areas.
- Create business–employer consortia to develop on–site programs, or partner with nearby child care services.
- Pilot blended classrooms that actively incorporate inclusion of children with disabilities.
- Pilot crisis child care centers targeting areas with higher child welfare cases.

Examples for Subgrant Opportunity C (enhance the quality of existing programs)

- Increase family engagement through the creation of family engagement coordinators or the development of community and parent engagement applications.
- Improve workforce compensation through wage enhancements, wage studies, and workforce bonuses.
- Support the workforce through apprenticeships, recruitment and retention strategies, technical assistance (e.g., support to ECCE providers in obtaining certificates, degrees, accreditation), or regional peer mentoring/practice–based coaching supports.
- Increase the number of mental health specialists/consultants, support workforce wellness initiatives, and expand the provision of social–emotional and developmental screenings.
- Purchase learning equipment and materials to enable child care facilities/classrooms to achieve high–quality ratings.
- Study current funding models for public preschool or other programs and make recommendations.
- Offer local community grants with a menu of strategies from which to select:
 - Reimburse costs associated with child care licensing, background checks, etc.
 - Provide shared services to administer benefits, payroll, technology upgrades, etc.
 - Build community–level champions; increase business involvement.
 - Improve kindergarten–readiness ratings of school districts.
 - Create local community advisory councils that feed into State Advisory Councils.
 - Develop, conduct, and/or review local needs assessments and strategic plans.
 - Enhance Help Me Grow or other needed family support services within ethnic or immigrant community–based organizations.

Administering Subgrants

The following may be considered as you administer subgrants to enhance quality and expand access to existing and new ECCE programs.

Designing Subgrant Activities

Use your comprehensive PDG B-5 needs assessment, strategic plan, and other data sources to inform the design of your subgrants. Data can help you identify the target population(s) and appropriate interventions. For example, your needs assessment may reveal child care deserts, waitlists for programs and services, geographical gaps in service provision, and inequitable access to services among children, families, and early childhood professionals depending on their location or socioeconomic status.

Consider the level of funding required by subgrantees to effectively administer the grant and achieve intended outcomes, as well as the timeline necessary to implement the project. You may want to speak to program managers who have administered similar activities or community partners to better understand what subgrantees will need to be successful. Additionally, you may be able to model actual budgets for subgrants that expand access to existing programs.

As you design or implement subgrants, you may determine a different approach is necessary. If this happens, contact your Federal Project Officer to request a project scope change and/or budget modification.

Incorporate community and family voices in your processes. Families can be helpful partners as you design your subgrants, develop the application, review applications to select subgrantees, and evaluate the impact of subgrants in their community.

Soliciting and Selecting Subgrantees

Consult with your agency's procurement staff to determine the best tools to award subgrants. If you are developing an application, consider the following:

- Is it accessible? Use plain language. Consider offering the application in multiple languages. Determine how information about the funding opportunity will be shared with potential applicants.
- Is it burdensome to the applicant? Only request information that will help you determine the applicant's eligibility, subgrant amount, and capacity to implement and meet outcomes.
- Will applicants have questions about the application or the process? Provide technical assistance by listing a point of contact on the application, developing a guide and templates for completing the application (e.g., sample statement of work, workplan template, budget template), posting frequently asked questions, and/or hosting a webinar once the application is released.
- If the subgrant is competitive, what information will be used to score the application? Consider including a scoring rubric with the application. Do your state or territory policies require you to use cost as the primary determining factor, or are there other factors that will inform your decisions? Determine who will review and score applications.

For more contract and procurement best practices, watch the [PDG B-5 webinar on contract administration](#).

Providing Technical Assistance

During the application process, you may provide guidance to potential applicants in the form of a one-page document explaining the grant opportunity or a webinar describing the subgrant and how to apply. You may also consider developing a guide or templates to aid applicants in the process.

The Arizona Department of Education developed a [guidance manual and robust set of tools](#) to support their PDG B-5 subgrantees.

After you award subgrants, you may consider developing an onboarding process to ensure the subgrantee is aware of fiscal and programmatic requirements, the goals and expected outcomes of the grant, other important policies or practices (e.g., key deadlines, data collection/reporting, invoicing), and the supports available to them during the project period.

In addition to these supports, you may identify other helpful assistance such as a program guide or coaching. Holding regular meetings with subgrantees provides both of you a valuable opportunity to discuss challenges and collaboratively identify solutions.

Data Collection and Reporting

Timely and accurate reporting is necessary to help you monitor the financial and programmatic activities of each subgrantee. You will need to determine the timing, frequency, and content of subgrantee reporting to allow you to monitor their progress as well as inform your federally required reports and/or your program performance evaluation. Consider developing templates to standardize data collection and reporting and provide technical assistance to subgrantees who may need additional guidance completing reports. Identify opportunities to meet with subgrantees to get project updates, address questions or challenges, and celebrate successes.

Reporting is an opportunity for subgrantees to tell their PDG B-5 story! Stories or quotes from families, providers, and community partners are powerful tools to demonstrate the need to expand or continue funding.

Collecting, analyzing, and reporting data is especially important as you design and implement pilot programs using subgrants. Design research questions that will help you and your partners understand whether the pilot met its intended goals and contributing factors to the success or failure of the program. Ongoing evaluation will support continuous improvement processes. At the end of the project, data will help to inform the sustainability and/or scalability of the program.

Scaling and Sustaining Subgrant Activities

The [Michigan Sustainability Toolkit](#) is designed to support local and regional early childhood leaders identify strategies to sustain programming and services for young children and families.

PDG B-5 grants ask states and territories to strategically plan goals and activities that are sustainable beyond the grant project period. Sustainability should be at the forefront of subgrant planning. It is important to work with subgrantees to address sustainability and opportunities to collaborate on developing a sustainability plan. Consider the following as you develop a plan:

- Stable, ongoing fund sources
- New and existing partnerships
- Organizational capacity
- Need for new or updated policies and processes

- Legislation or rules that affect implementation
- Ability to adapt the program or service to be relevant to additional or changing communities

Resources to support sustainability planning are available on the [PDG B-5 Technical Assistance Center website](#).

Conclusion

The PDG B-5 Renewal Grant provides opportunities for you to use subgrants to expand access to existing programs, develop new early childhood programs to meet the unique and unmet needs of children and families in communities across the state, and/or enhance the quality of existing programs. Intentional planning, implementation, and evaluation of subgrants will allow you and your partners to learn important lessons as you work towards the goals and objectives outlined in your state or territory strategic plan.