



4184-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 1304

RIN 0970-AC63

Head Start Designation Renewal System Improvements

AGENCY: Office of Head Start (OHS), Administration for Children and Families (ACF), Department of Health and Human Services (HHS).

ACTION: Request for comments; re-issue.

SUMMARY: OHS issues this request for comments to invite public feedback on information we inadvertently omitted from the “CLASS Condition of the Head Start Designation Renewal System,” request for comments, published on December 8, 2017. The document withdrawing the “CLASS Condition of the Head Start Designation Renewal System” request for comments is published elsewhere in this issue of the *Federal Register*. This request for comments is similar to the withdrawn publication in that it invites the public to comment on specific changes OHS is considering for the CLASS condition, as well as other Designation Renewal System (DRS) conditions and processes more broadly. Additionally, OHS seeks comments on ways it can: incentivize robust competition to include new applicants, facilitate smooth transitions when there is a new grantee as a result of competition, and improve the DRS processes. The comment period is 30 days to allow for the public to address the additional issues in this reissued request

for comments. We will consider comments submitted under the “CLASS Condition of the Head Start Designation Renewal System” request for comments.

DATES: Submit comments by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may send comments, identified by [docket number and/or RIN number], by either of the following methods:

- Federal eRulemaking Portal: <https://www.regulations.gov>. Follow instructions for sending comments. We prefer to receive comments via this method.
- Mail: Office of Head Start, Attention: Colleen Rathgeb, Director, Division of Planning, Oversight and Policy, 330 C Street, SW, Washington, DC 20024.

Instructions: All submissions received must include our agency name and the docket number or Regulatory Information Number (RIN) for this notice. All comments will be posted without change to <https://www.regulations.gov>, including any personal information provided. We accept anonymous comments. If you wish to remain anonymous, enter “N/A” in the required fields.

FOR FURTHER INFORMATION CONTACT: Colleen Rathgeb, Director, Division of Planning, Oversight and Policy, Office of Head Start, [colleen.rathgeb@acf.hhs.gov], (202) 358-3263 (not a toll-free call). Deaf and hearing impaired individuals may call the Federal Dual Party Relay Service at 1-800-877-8339 between 8 a.m. and 7 p.m. Eastern Standard Time.

SUPPLEMENTARY INFORMATION: Consistent with the December 8, 2017, publication (82 FR 57905), OHS invites public comment on several specific changes being considered for the CLASS condition of the DRS as outlined in the Head Start Program Performance Standards. We also invite public comment on other improvements to the DRS based on

feedback from stakeholders, grantees, and the results of the DRS implementation evaluation. In particular, we are considering changes to the CLASS condition with a goal of improving implementation and transparency of the DRS. Changes being considered include removal of the “lowest 10 percent” provision of the CLASS condition, an increase of the minimum thresholds for the Emotional Support and Classroom Organization domains to a score of 5, removal of the minimum threshold for the Instructional Support domain, and establishment of authority for the Secretary to set an absolute minimum threshold for the Instructional Support domain prior to the start of each fiscal year to be applied for DRS CLASS reviews in the same fiscal year. OHS requests feedback on these possible changes and alternative changes to the CLASS condition. Particularly in ways the Instructional Support and other thresholds could be set and/or adjusted that would incentivize continuous program improvement while acknowledging the current state of the field. OHS also invites feedback on other conditions of the DRS and the way it is implemented.

Background information

The Head Start program provides grants to local public and private non-profit and for-profit agencies to provide comprehensive education and child development services to economically disadvantaged children, from birth to age five, and families and to help young children develop the skills they need to be successful in school. Our agencies provide these families comprehensive services to support children’s cognitive, social, and emotional development. In addition to education services, agencies provide children and their families with health, nutrition, social, and other services.

To drive program quality improvement, the *Improving Head Start for School Readiness Act of 2007*, Pub. L. 110-134, (the Act) required HHS to develop a system to facilitate designation of Head Start grantees delivering a high-quality and comprehensive program for a period of 5 years and required grantees not delivering high-quality and comprehensive services to enter open competition for continued funding. Prior to the Act, when HHS designated a Head Start agency, it remained a Head Start grantee indefinitely unless the grantee either relinquished funding or HHS terminated its grant.

To meet the requirement in the Act, HHS established the DRS, which is described in 45 CFR 1304.10 through 16. The DRS includes seven conditions. If an agency meets any of the seven conditions, it must compete with other providers in the community for renewed grant funding. The seven conditions are: (1) a deficiency under section 641A(c)(1)(A), (C), or (D) of the Act; (2) failure to establish, utilize, and analyze children's progress on agency-established School Readiness goals; (3) scores below minimum thresholds in the Classroom Assessment Scoring System: Pre-K (CLASS) domains or in the lowest 10 percent in any of the three domains of the agencies monitored in a given year unless the average score is equal to or above the standard of excellence; (4) revocation of a license to operate a center or program; (5) suspension from the program; (6) debarment from receiving federal or state funds or disqualified from the Child and Adult Care Food Program; or (7) an audit finding of at risk for failing to continue as "a going concern." The Act also requires HHS to periodically evaluate whether or not the DRS criteria are applied in a manner that is transparent, reliable, and valid.

Section 641(c)(1)(D) of the Act requires the DRS to be based in part on classroom quality as measured under section 641A(c)(2)(F), which refers to a valid and reliable research-based observational instrument, implemented by qualified individuals with demonstrated reliability that assesses classroom quality. To include assessing multiple dimensions of teacher-child interactions that is linked to positive child development and later achievement. The third condition of the DRS is based on use of the CLASS, which is an observational measurement tool for assessing the quality of teacher-child interactions and classroom processes in three broad domains that support children's learning and development: Emotional Support, Classroom Organization, and Instructional Support.

Changes to DRS under consideration

Since HHS established the DRS, all grantees that had indefinite project periods have completed the DRS process. Based on CLASS data, observations collected throughout these cohorts, results of a recent evaluation, and feedback from the community, we are considering changes to the DRS in order to better improve implementation of the system, including changes to the CLASS condition.

The CLASS Condition

There are concerns about some aspects of the CLASS condition of the DRS that have been raised by Head Start grantees as well as in the recent evaluation. First, the requirement for grantees with the lowest 10 percent of scores on any of the three CLASS domains to compete may not be optimally targeting the grantees for competition with the lowest measures of classroom quality. For example, grantees have been required to compete due to an Emotional Support score of 5.69, which is very close to the Standard of Excellence (a 6—which developers of the CLASS deem

the highest quality). In addition, grantees scoring slightly higher than the minimum threshold in Instructional Support (e.g., score of 2.3) do not have to compete unless they fall into the lowest 10 percent of all grantees' scores for Instructional Support, which has been very close to the minimum threshold. We are considering an approach to establish higher specific thresholds that demonstrate an established acceptable level of quality in Emotional Support and Classroom Organization and an adjustable threshold for the Instructional Support domain where there is the greatest potential and need for program improvement.

Second, we understand that the delay between completion of the CLASS review and grantees knowing their DRS designation status, due to the need to collect and analyze a full monitoring year's CLASS scores to determine the lowest 10 percent. This creates uncertainty, stress, and concern among grantees, grantee staff, and families. Because classroom quality in Head Start programs is improving as demonstrated by recent analysis of data from the 2006, 2009, and 2014, cohorts of the Head Start Family and Child Experiences Survey (FACES)¹, we are exploring options for the CLASS condition that would better balance an ability to drive quality improvement over time with an approach that would be more transparent, timely, and less burdensome for programs.

To inform our development of a notice of proposed rulemaking to change the DRS CLASS condition to meet the objectives described above, we are requesting public comments on several specific changes being considered. The changes under consideration are as follows:

¹ Aikens, N., Bush, C., Gleason, P., Malone, L., & Tarullo, L. (2016). Tracking Quality in Head Start Classrooms: FACES 2006 to FACES 2014. Washington, DC: U.S. Department of Health and Human Services.

1. Remove the “lowest 10 percent” provision of the CLASS condition described in 45 CFR 1304.11(c)(2).
2. Increase the minimum threshold described in 45 CFR 1304.11(c)(1)(i) for the Emotional Support domain from 4 to 5.
3. Increase the minimum threshold described in 45 CFR 1304.11(c)(1)(ii) for Classroom Organization from 3 to 5.
4. Remove the minimum threshold for the Instructional Support domain described in 45 CFR 1304.11(c)(1)(iii) and instead provide authority for the Secretary to set an absolute minimum threshold for the Instructional Support domain, considering the most recent CLASS data, by August 1 of each year to be used for CLASS Reviews conducted in the following fiscal year (October 1 through September 30).

Together, these changes would allow grantees to know by August 1, before CLASS Reviews are conducted for the coming fiscal year, the exact threshold of classroom quality in each of the three domains that will be used to determine which grantees will be subject to an open competition for funding and which grantees will receive renewed funding non-competitively. Grantees would no longer have to wait until several months following the conclusion of the CLASS reviews for the fiscal year (September 30) to learn the lowest 10 percent cutoff in each of the 3 domains. Setting minimum thresholds of 5 in the Emotional Support and Classroom Organization domains would set a clear and consistent expectation of quality for all Head Start programs. Allowing the Secretary to set the minimum threshold in the Instructional Support domain prior to the start of each program year and monitoring year would allow for

consideration of the most recent CLASS data for Head Start grantees while still supporting continuous quality improvement across the program as a whole.

Other Areas of Improvement

In addition to the CLASS condition, we are interested in receiving feedback about other conditions and improvements that could be made to DRS. This includes actions we can take without regulatory changes to ensure the DRS process is transparent, timely, and results in higher quality programs.

To inform our development of a notice of proposed rulemaking and continue improving the DRS, we are specifically requesting comments on:

- Changes OHS can make to incentivize robust competition, including ways OHS can ensure there are new and quality applicants at the local level;
- Changes OHS can make to facilitate an orderly transition between grantees without disrupting services for children (when recompetition is required and the incumbent does not regain its grant); and,
- Any other administrative changes OHS can make to the system that do not require regulatory changes, including changes to monitoring processes and timing of notifications and awards.

What we are looking for in public comments

We invite comments about the specific changes being considered for the DRS CLASS condition as well as alternatives to these changes that would continue to improve program quality, while

balancing the need to continue to provide transparency to grantees about what they will be measured on and being mindful of burden on grantees. We also invite comments about any unintended consequences of removing the lowest 10 percent condition and whether an absolute threshold could influence scores. We are particularly interested in recommendations related to how the Secretary would consider establishing the minimum threshold for Instructional Support, including in what increments to raise the threshold, what data to base the absolute thresholds on, and how often to revise the threshold. For example, the regulation could establish an initial Instructional Support threshold (e.g., 2.3 or 2.5) that could be raised in increments of 0.1 based on certain criteria related to the available CLASS data from all prior years of Head Start monitoring, or the threshold could be set one standard deviation below the mean Instructional Support score over the 3 or 5 previous fiscal years. We are interested in other ideas of ways the Instructional Support threshold could be set and/or adjusted that would incentivize program improvement while acknowledging the current state of the field. We are also interested in feedback on another potential change to establish or maintain a minimum absolute threshold (such as a 2) that would require competition and a higher threshold (such as 2.5 or 3) and require grantees to focus on quality improvement before they were reevaluated to see if their Instructional Support score has improved. Only grantees without improvement or still below the threshold would then have to compete. We are also interested in whether we should align the approach for Instructional Support with the other CLASS domains. We are interested in feedback on each of these possible approaches as well as others suggested by the field.

If commenters do not support the changes being considered, comments offering alternative proposals to the CLASS condition, whether changes to the absolute thresholds or the relative 10 percent threshold, or to other conditions of the DRS would be particularly helpful.

We are also particularly interested in soliciting feedback on other changes to DRS implementation that would spur local competition and improve the DRS process for grantees.

Ann Linehan,

Acting Director, Office of Head Start.

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