

November 18, 2019

Hello:

You are receiving this letter as it relates to your grant/contract agreement with the Vermont Department for Children and Families Child Development Division (CDD). Earlier this year, an independent review examined CDD's grants/contracts practices, revealing the need to make changes related to CDD's compliance with the State of Vermont's procurement protocols, mainly [Bulletin 3.5](#) and [Bulletin 5](#). This includes the need:

- To ensure state procurement practices are followed when purchasing state services.
- To align CDD practice with programmatic and financial monitoring required under Bulletin 3.5 and 5.0, resulting in more robust monitoring.
- To define the role/relationship between CDD and its contractors and grantees.
- To define performance measures of grantees in line with the State's desired purpose for the funding.
- For grant and contract payment provisions to meet requirements for advance payments or otherwise be reimbursement based.

CDD is taking several steps to meet the objectives above and ensure compliance with state procurement and monitoring practices in our grants and contracts management. Effective collaboration with our partners remains a top priority. However, there will be expectations based on our roles that will be different moving forward.

CDD has had long-standing partnerships with many of you, and we continue to view our work as integrated and closely connected. However, these relationships have historically led in some instances to confusion or inconsistency regarding the role of the State versus the role of the contractor/grantee. Specifically, CDD is required to write contracts and grants that support the purpose and goals of the State and meet any applicable funding mandates. For example, while there is opportunity to discuss a grant agreement with a grantee, CDD is the ultimate decision-maker on the content of the grant including services, performance measures, and payment provisions. Furthermore, it would provide an unfair advantage if a potential contractor supplied advance comments on a competitive procurement.

In the coming year, CDD will be issuing numerous grants through the Request for Application process. In addition, some historical grants will change to contracts and will go through a similar procurement process. This process allows for competition for funds and furthers the state's goals of a free and open process for state funds. Grant managers will be following up with individual grantees over the next month on how this will impact the services each of you are currently providing.

This realignment of practices will impact CDD internally as well. CDD staff responsible for grants and contract management will increasingly focus their efforts on monitoring and compliance, rather than policy and technical assistance. While CDD will continue to participate in various committees in alignment with divisional goals, CDD





grant and contract management staff will have a greater emphasis on internal procedures rather than stakeholder interaction as it relates to contracts and grants. CDD is evaluating staff capacity to meet the requirements for sound grant monitoring and understands this will impact the field.

Thank you for your understanding as we come into compliance with State procurement protocols. We look forward to working with each of you in the coming months to continue our mutual goals as it relates to early childhood learning and systems.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Schatz".

Ken Schatz

Commissioner for the Vermont Department for Children and Families

A handwritten signature in black ink, appearing to read "Sarah Truckle".

Sarah Truckle

Child Development Division, Director of Operations

CC: Mike Smith, Secretary of the Agency of Human Services; Sarah Clark, Chief Financial Officer of the Agency of Human Services; Peter Moino, Director of AHS Internal Audit; Melissa Riegel-Garrett, CDD Policy Director; Morgan Cole, CIS Director; Judith Rex, DCF Director of Policy and Planning

