

TREC – Badlands Head Start: Annual Report

2022



CONTENTS

Executive Summary	1
Welcome.....	2
TREC’s Vision Statement.....	2
Enhancing Rural Communities.....	2
TREC’s Mission Statement	2
Purposes of TREC	2
Badlands Head Start: Prenatal to Five Mission.....	3
Funding Sources – Public and Private.....	3
Budgetary Expenditures and Proposed budget.....	3
Enrollment – Children and families served by TREC – BHS.....	5
Fiscal Audit and Recent Monitoring	5
Fiscal Audit.....	5
Recent Monitoring.....	6
Federal Monitoring Review Results.....	6
Classroom Assessment Scoring System (CLASS) Review	7
Addressing Findings.....	7
Child Health – Medical and Dental Examinations.....	7
Engagement – Parent and Family Involvement.....	7
School Readiness – Preparing Children and Families for Kindergarten.....	9
Staff Qualifications	9
5 Year and School Readiness Goals	10

EXECUTIVE SUMMARY

The 2022 – 23 program year marked the 29th year of operation for TREC Badlands Head Start. It was a year full of successes as well as some challenges.

TREC was scheduled for a FA1 review during the program year by the Office of Head Start. However, it was rescheduled to the 2023-24 program year. Additionally, the program did not receive any reviews by the Child and Adult Care Food Program (CACFP). TREC anticipates both OHS and CACFP reviews in the 2023-24 program year. In June, 2023, TREC began a financial audit conducted by our independent auditor. Unlike previous years, the audit did find one material weakness in our accounting practices. This was due to using the services of a new third-party accountant that had been used in years prior to adjust the accounting records to full accrual basis and assist with audit preparation. The new firm experienced challenges in providing all of the necessary information to the auditors. As such, TREC requested the auditors, Ketel Thorstenson draft the audited financial statements and related footnote disclosures and perform certain adjusting entries in addition to their regular audit services. This resulted in a material weakness.

To measure school readiness goals, the agency used the DRDP assessment for the third year in a row. The results of the ongoing assessment over the program year indicated strong growth for the students we serve in both Early Head Start and Head Start. Additionally, TREC continued to implement Conscious Discipline as part of our Social Emotional curriculum. Since the implementation of Conscious Discipline, the agency has seen a decrease in the number of incidents related to social emotional challenges. In regards to student growth, the 2022-23 year was a positive one.

TREC has continued to experience enrollment challenges. In July of 2023, the agency received a letter from the Office of Head Start that due to its under enrollment status, it would be entering into the Full Enrollment Initiative beginning on July 24, 2023. The agency has 12 months to develop and work a plan to obtain full enrollment. Following the 12-month period, TREC must maintain at least 97% enrollment for an additional 6 months or the program may be designated as chronically underenrolled and the Office of Head Start may choose to reduce the base grant at that time. The agency is diligently working on its full enrollment with support from its Board of Directors, Policy Council, and community partners.

If you have any questions regarding TREC – Badlands Head Start: Prenatal to Five, please feel free to contact members of the Board of Directors.

“Honoring and empowering children, families, staff and rural communities.”

On Behalf of the TREC Board of Directors,

Melissa Pickle
TREC – Interim Executive Director

WELCOME

All Head Start funded grantees are required to produce and disseminate an annual report to the public. The annual report contains a number of both operational and fiscal elements meant to communicate summary data to the public. The following report is designed to fulfill this Head Start requirement for the 2022-23 program year and 2022 fiscal year for the fiscal audit.

Technology for the Rural Enhancement of Communities (TREC) is a 501(c)(3) not-for-profit corporation formed under the laws of South Dakota. TREC is also approved by the Internal Revenue Service as a charitable organization. TREC has the capacity to serve rural West River South Dakota communities in numerous ways depending on the needs of the community and its members.

TREC'S VISION STATEMENT

ENHANCING RURAL COMMUNITIES

The agency's vision centers on TREC as striving to enhance rural, Western South Dakota communities, through working with each community's members to build on the existing strengths of that rural area and the residents in order to better meet the needs of the community.

TREC'S MISSION STATEMENT

TREC works in partnership with the residents of rural, western South Dakota and is committed to providing quality services as well as access to community resources through responding to the evolving needs of rural communities with Head Start: Prenatal to 5 services, early childhood education, health and wellness programming, parent education and other needed community programs.

PURPOSES OF TREC

The purposes of TREC as stated in its corporate by-laws are as follows:

- Assure the successful emotional, social, physical, cognitive and self-esteem growth of children from prenatal to five.
- Provide children with safe and supportive learning environments.
- Strengthen parent skills, bonding and involvement.
- Strengthen the family.
- Collaborate with and strengthen local communities.
- Utilize technology to carry out TREC's purposes.
- Function solely as a charitable organization that promotes the well-being of families and communities.

BADLANDS HEAD START: PRENATAL TO FIVE MISSION

“To honor and empower children, families, staff and rural communities.”

During Fiscal Year 2022, Badlands Head Start: Prenatal to Five programs were the only programs for which TREC functioned as the grantee body. TREC’s Board of Directors assumes legal and fiscal responsibility for oversight of TREC’s programs and funding.

FUNDING SOURCES – PUBLIC AND PRIVATE

TREC Badlands Head Start only receives Federal funding from the Department of Health and Human Services in order to conduct program operations. TREC Badlands Head Start is primarily supported through a Head Start and Early Head Start grant. Within those grants, additional monies are built in to support professional development, training, and technical assistance. Federal dollars are supplemented by parents, Policy Council, and Governing Board members volunteering time in order to aid with program operations. The information below shows the agency’s budget and actual expenditures for the 2022 fiscal year. We have also provided the proposed budget for the 2023 Fiscal Year.

In addition to Federal dollars from the Head Start and Early Head Start grants, TREC Badlands Head Start receives meal reimbursements from the Child and Adult Care Food Program (CACFP). Approximately \$35,000 are reimbursed to the program as a result of its participation in the Child and Adult Care Food Program (CACFP). The agency also budgets monies in the grant application for the cost of food and snacks where CACFP reimbursement falls short.

In summary, TREC’s funding sources were 100% Federal over the past program year. In years past, the agency has received some private donations, but did not receive any for the 2022-23 program year.

BUDGETARY EXPENDITURES AND PROPOSED BUDGET

Each year TREC Badlands Head Start develops a budget to meet the needs of the program. The funding amounts from the Department of Health and Human Services are based on funded enrollment. These funding amounts rarely change with the exception of a yearly Cost of Living Allowance and occasional Quality Improvement funds. Therefore, the budget remains relatively constant. Changes to the budget are typically made based on program direction and focal points in terms of services delivered as well as adjusted for inflation.

Below is a brief synopsis of TREC Badlands Head Start’s expenditures during the 2022-23 Program Year.

Statement of Activities: Head Start/Early Head Start – Program Year 2022– 23			
Object Class Category	Year to Date Spent	Budgeted Amount	Percentage of Budget Spent
Personnel	\$981,924	\$1,077,822	91.10%
Fringe Benefits	\$273,317	\$310,587	88.00%
Travel Staff Out of Town	\$1,012	\$6,511	15.55%
Equipment	\$179,287	\$180,000	99.60%
Supplies	\$35,779	\$54,360	65.82%
Contractual	\$157,985	\$138,500	114.07%
Other	\$343,928	\$283,382	121.37%
Training and TA	\$45,506	\$34,278	132.76%
Totals	\$2,018,742	\$2,085,440	96.80%

As demonstrated in the table above, TREC did its best to expend Federal dollars during the 2022-23 program year. The agency experienced a major hail storm in June of 2022. Both buildings in Belle Fourche were significantly damaged requiring roof and window repairs along with damage to other property. A total of 15 agency vehicles were totaled with another 3 requiring significant repair. Although TREC was fully insured, there were costs the agency was responsible for such as multiple deductibles as well as the cost difference on the totaled vehicles and purchasing replacement ones. The agency received a one-time funding allowance of \$150,000 to assist with these additional costs. Repairs continued through the 2022-23 program year.

In December of 2022, TREC experienced significant damage to another one of its property. Extremely cold temperatures led to a pipe in the radiant baseboard heating freezing and then bursting in the agency’s Buffalo office and social site. This damaged both the upstairs flooring and walls as well as the basement ceiling and floors. TREC was fully insured, however, the program was responsible for the deductible and any costs incurred over the insurance allotted amount.

Based on previous years funding, TREC has developed a budget projected to meet the needs of our 2023-24 program year. Our budget covers part of both the 2022 and 2023 fiscal years as our grant funds are awarded September 1 of each program year. The agency follows the guidelines put forth by the Office of Head Start when making budgetary considerations. Approximately 75% of our overall budget is allocated to salary and benefits. Head Start requires that grantees develop their budgets with 60 – 80% of funds dedicated explicitly to the Personnel and Fringe Benefits object classes. It is worth noting that the budget is reflective of a 5.6% permanent increase to the salary and benefits of our team due to a Cost of Living Allowance increase. Additional permanent increases to salary and benefits from Quality Improvement funds are also included for the 2023-24 program year.

Budget for 2023-2024 Program Year

Object Class Category	Head Start	Early Head Start	Program Totals
Personnel	\$628,457	\$536,707	\$1,165,164
Benefits	\$192,238	\$169,527	\$361,765
Travel	\$3,255	\$3,255	\$6,510
Equipment	\$0	\$30,000	\$30,000
Supplies	\$25,700	\$21,850	\$47,550
Contractual	\$81,750	\$68,750	\$150,500
Construction	\$0	\$0	\$0
Other	\$154,791	\$141,541	\$296,332
Training	\$16,716	\$17,562	\$34,278
Total Federal Share	\$1,102,907	\$989,192	\$2,092,099
Total Non-Federal Share	\$255,831	\$228,029	\$483,860
TOTAL GRANT	\$1,358,738	\$1,217,221	\$2,575,959

ENROLLMENT – CHILDREN AND FAMILIES SERVED BY TREC – BHS

During the 2022 -23 program year, TREC received approval for a total of 146 funded enrollment slots. The agency serves both Early Head Start and Head Start families. There are 82 slots for Head Start and 64 slots for Early Head Start. The agency has struggled over the past few years with enrollment and staffing. These numbers have continued to trend at lower points than in pre-pandemic years.

Annual Enrollment Figures					
Program	Minimum Enrollment	Maximum Enrollment	Average Enrollment	Funded Enrollment	Avg. % of Funded Enrollment
Head Start	41	66	63	82	76.8%
Early Head Start	44	58	49	64	76.6%

FISCAL AUDIT AND RECENT MONITORING

Head Start Regulations (e.g., Performance Standards and Head Start Act) mandate that programs delivering services must meet certain requirements in order to stay operational. Two such requirements are Aligned Monitoring review(s) and an annual fiscal audit consistent with requirements found in the Office of Management and Budget’s circular schedule, now referred to as the Uniform Guidance (UG). In this section of the annual report, we shall provide an overview of our results from the most recent monitoring visit and our independent fiscal audit.

FISCAL AUDIT

TREC Badlands Head Start began its annual audit for FY22 audit in June, 2023. At the end of 2022, TREC switched accounting firms because the previous firm stated they would no longer be available to

provide the services the agency needed. In January of 2023, the agency began using the services of a new third-party accountant that had been used in years prior to adjust the accounting records to full accrual basis and assist with audit preparation. The new firm experienced challenges in providing all of the necessary information to the auditors. As such, TREC requested the auditors, Ketel Thorstenson draft the audited financial statements and related footnote disclosures and perform certain adjusting entries in addition to their regular audit services.

The adjustments were not identified as a result of TREC's existing internal controls, and therefore, could have resulted in a material misstatement of the agency's financial statements or noncompliance with the federal programs. It also caused significant additional audit time and expense. This resulted in a material weakness finding.

The auditors recommended the agency hire a third party with adequate accrual accounting experience to prepare year-end accruals, reconcile accounts, and prepare the SEFA and financial statements. They also recommended management review the financial statements for accuracy at year-end. A copy of the audit results can be found on the agency's website for detailed viewing.

RECENT MONITORING

To ensure programs are operating high quality environments for children and families, the Office of Head Start (OHS) requires programs to undergo comprehensive monitoring reviews. OHS employs a team of reviewers to make a comprehensive assessment on program operations. In March, 2018, TREC Badlands Head Start received a Focus Area 2 (FA2) and Classroom Assessment Scoring System (CLASS) reviews.

TREC was scheduled to receive a Focus Area One Monitoring Review during the 2022-23 program year. In June of 2023, the agency received the 45-day letter announcing that the review would take place during the week of July 31, 2023. The agency requested the review be rescheduled due to a change in the Executive Director position in early July and the number of staff that would not be available to participate during this timeframe. The Office of Head Start agreed to reschedule the review for the 2023-24 program. This review will focus mostly on compliance with the Head Start Program Performance Standards and the strength of the agency's systems. The review will take place virtually.

FEDERAL MONITORING REVIEW RESULTS

The 2018 FA2 Review yielded **no findings** in their 3 day assessment of our program operations. There were also **no concerns** expressed by the review team for any items related to the Head Start Program Performance Standards. This was a marked improvement from the 2014 monitoring, where a number on findings were noted on the official report.

CLASSROOM ASSESSMENT SCORING SYSTEM (CLASS) REVIEW

The 2018 CLASS review yielded the scores listed below. Although TREC is constantly seeking improvement in terms of quality services, the scores were deemed quality by the developers of the CLASS tool, TeachStone.

Domain	Score	Domain	Score	Domain	Score
Emotional Support	5.9063	Classroom Organization	5.0417	Instructional Support	2.5833

ADDRESSING FINDINGS

There were no compliance findings or concerns as a result of the Focus Area 2 review so TREC did not have to correct any findings.

CHILD HEALTH – MEDICAL AND DENTAL EXAMINATIONS

The physical and oral health of children we serve is an integral part of the program and services we provide. When children are healthy they are ready to learn.

The table below provides information related to children’s health. The first percentage shows how many children in the program are current with immunizations. The second and third rows are related to dental and medical exams. All but one medical and dental determinations were met by the 90-day deadline, with that child obtaining both shortly thereafter. As a program we will continue with efforts to ensure children are up to date with immunizations, dental and medical exams to promote optimal health.

Medical Category	Area of Practice	Head Start	Early Head Start
Immunizations	Children current with immunizations per State’s EPSDT schedule	93.22%	92.11%
Dental Exams	Completed Dental Exam.	72.86%	72.22%
Medical Exams	Up to date on Medical Exams.	85.71%	78.95%

TREC and its community partners have focused on parent education around these topics. We strive to communicate the importance of regular, consistent medical and dental care and up to date immunizations to the families we serve. As a provider of comprehensive services, it is our job to impart the knowledge and importance of these practices to parents in our communities. Overall, with families heeding this advice and implementing these practices in their daily lives, we position ourselves to be healthier communities and families, overall. TREC and our community partners will continue focusing on education and preventative maintenance in terms of immunizations, medical and dental care.

ENGAGEMENT – PARENT AND FAMILY INVOLVEMENT

TREC Badlands Head Start could not provide the quality services it does without active and engaged parents. Our program has been fortunate to have a very active Policy Council and groups of parents who are truly invested and engaged in the Head Start/Early Head Start programs. The agency sets individual

program goals that align with the Parent Family Community Engagement (PFCE) framework. This framework and the goals set allow parents and families to see just how far they have progressed since joining Head Start

Throughout the program year, families are provided a range of opportunities to actively engage with the program. In addition to participating on Policy Council and parent committee meetings, families are encouraged to partake in In-Kind activities with their children on a weekly basis. These activities are designed for parents to spend quality time with their enrolled children providing services necessary to help meet Early Head Start/Head Start outcomes and developmental growth. These activities are individualized to align with the child’s Individual Child Plan and provide an opportunity for parents to document valuable time spent as the child’s primary educator. During the year, TREC hosted a very successful reading challenge where families were encouraged to read to their children. Parents also had the opportunity to attend twice a month group socializations in the home based program as well as five group socializations throughout the program year for the center based option.

Listed below are a series of tools that TREC Badlands Head Start and its families use to help inform programming and assess progress in terms of engagement. The information allows the agency to plan, tailor programming, and provide quality services to families that need them. Some services include helping families procure health insurance, obtain energy assistance, access temporary housing, along with other resources and services through referrals to our community partners.

1. Parent Interest Survey, which looks at parents interests and helps develop trainings at socializations
2. Strength Matrix, which accesses families’ strengths and needs leading to the Family Partnership Agreement
3. Family Partnership Agreement which is the written plan for family and child goal.

Parent Statistics from our 2022-23 Program Year	
Percentage of parents that stated staff recognized them as the primary teacher of their child.	100%
Percentage of parents that stated they received information from our program about age appropriate activities.	95%
Percentage of parents that stated that if their child had health or other concerns, the program provided assistance with getting help and following up as needed.	89%
Percentage of parents that were satisfied or very satisfied with the quality of services that the program provided for their child.	95%
Percentage of parents that reported staff helped them find resources to meet their family’s needs and goals.	86%
Percentage of parents that related the quality of their relationship with their home visitor or child’s teacher as above average or excellent.	95%

TREC will continue to strive to provide high quality services to the children and families we serve. Our program focuses holistically on the family while delivering comprehensive services. The numbers are indicative of a program that is working with families to help them reach personal success in their lives.

SCHOOL READINESS – PREPARING CHILDREN AND FAMILIES FOR KINDERGARTEN

School readiness is a major component of the services offered by TREC Badlands Head Start. The common goal we share with the families and community is to have our children prepared for educational experiences in kindergarten and beyond. There are many pieces that fit into this puzzle, but the most important pieces are school readiness goals, qualified and competent staff, 5 year goals, supporting data, and professional development. This section shall address TREC Badlands Head Start’s efforts as they relate to these components impacting school readiness.

STAFF QUALIFICATIONS

TREC Badlands Head Start uses the Head Start Act (§648A) and applicable performance standards when making personnel decisions such as hiring new staff. Our teachers, teacher assistants, home visitors and other personnel must meet the minimum requirements as mandated by the Federal government. This is spelled out in the agency’s policies and procedures. TREC Badlands Head Start prides itself on delivering quality services. Therefore, we adhere to the standards and aim to hire highly qualified, competent individuals with a desire to impact the lives of others.

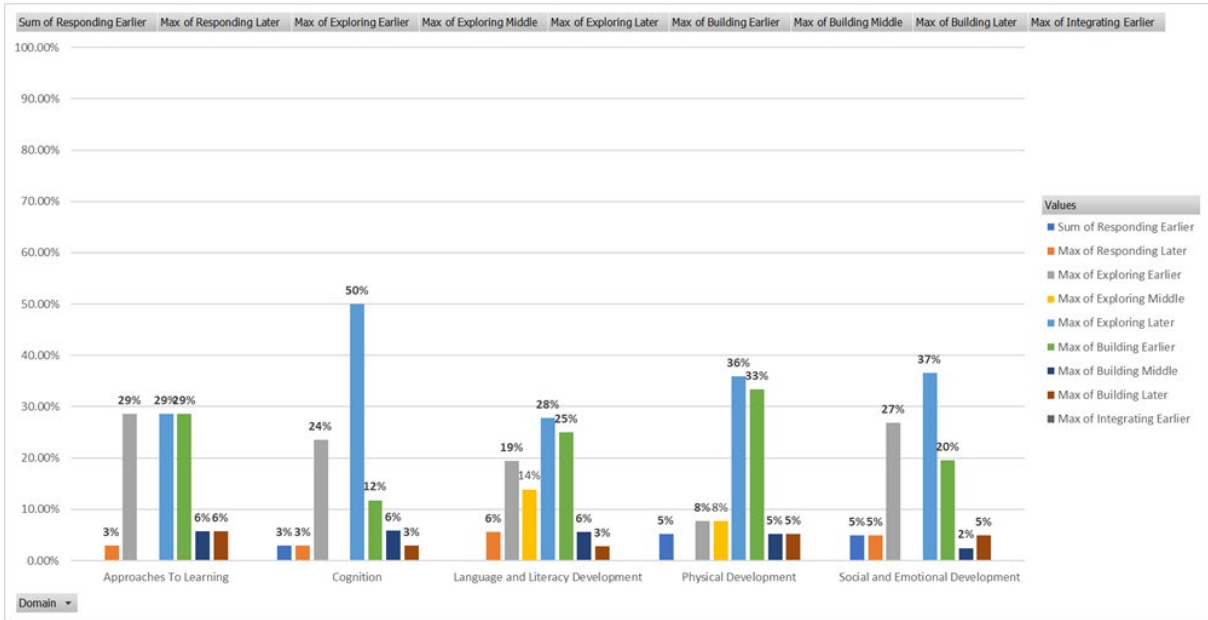
The following table indicates the educational requirements and core competencies expected from each member of TREC’s staff. Whether it is education or administrative, TREC prides itself on hiring individuals with blend of education and experience and a distinct passion for helping others.

Staff Member	Minimum Qualifications	Competencies
HS/EHS Director (Exec. Director)	MPA, MBA, MSW, M.Ed, or directly related degree.	Leadership, program design, fiscal management, grant writing/management, staff supervision and development, program monitoring
Teaching Staff	AA in ECE, BA in ECE, BA in Education or other degree with equivalent ECE coursework	Knowledge of child development principles, best practices, and trends in early childhood education. Skills managing and facilitating activities within a structured and unstructured classroom environment.
Health, Nutrition, and Safety	BS/BA in Nursing and 3 years’ experience in community health for staff hired after November 7, 2016	Knowledge of health, nutrition, human development; knowledge of ethics and nursing practices, ability to develop and maintain working relationships, oral and written communication
Fiscal	CPA, B.BA or B.Acy (Accounting) and 2 years’ experience using accounting software	Accounting principles, financial systems and management
Mental Health	M.A. in Counseling and appropriate licensure	Well versed in mental health practices related to children 0 – 5. Experience in counseling and treating children and uses techniques/strategies that follow industry best practice

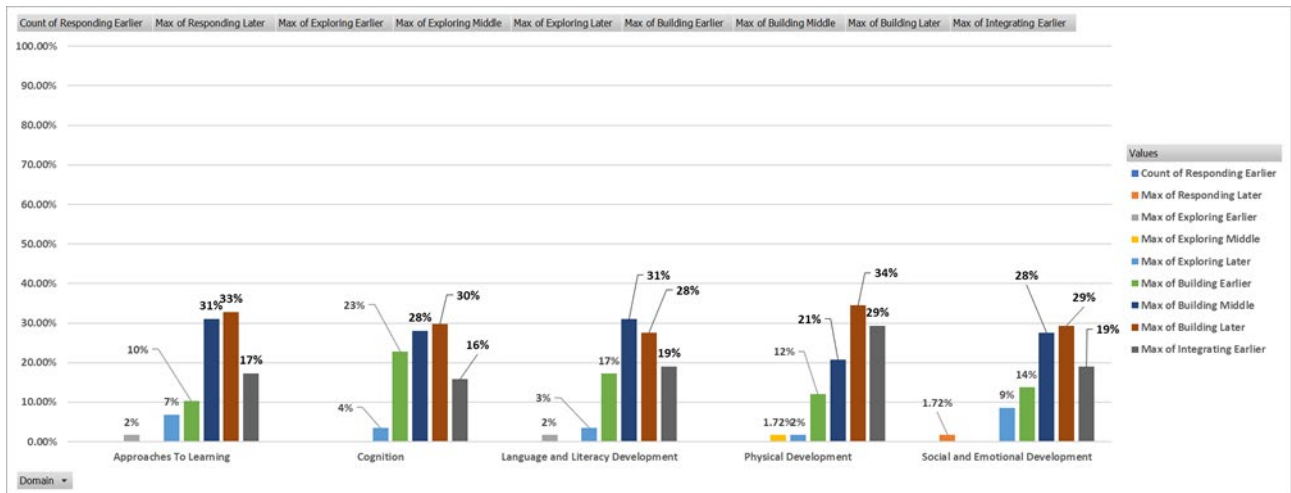
PFCE Specialist	BA in Social Work, Human Services, or a related field and 5 years' experience in human services	Effective communication, developing and nurturing relationships, develop efficient systems, coaching/mentoring, knowledge of social service resources
Ed/Disability Specialist	B.A. in Early Childhood Education (Master's preferred)	Development of EC educational materials, manage disability services, knowledge of state/federal regulations and standards, experience in working with infants/toddlers and preschool age children
Home Visitor	Combination of education and experience. AA in ECE, CDA credential or willing to obtain the credential within 24 months.	Conduct developmental screenings, strong communication, ability to develop relationships, develop and carry out lessons on weekly home visits, detailed planning, ability to work with children and families from diverse backgrounds, knowledge of Early Childhood and Adult Education principles, knowledge of State and Federal regulations, knowledge of Child Abuse and Neglect protocol.

5 YEAR AND SCHOOL READINESS GOALS

The 5 Year and School Readiness Goals dovetail with one another in order to provide the maximum impact in terms of a child’s educational experience in early childhood. Using the Creative Curriculum and the Desirable Results Developmental Profile (DRDP) to assess children in an ongoing fashion, TREC Badlands Head Start has been able to document progress related to the domains detailed in our 5 Year and School Readiness goals. TREC focuses on the 5 domains outlined in the curriculum and in the Head Start Early Learning Outcomes Framework. These are Social Emotional Development, Physical Development and Health, Cognitive and General Knowledge, Language and Literacy Development, and Approaches to Learning. In addition, we assess progress on school readiness three times per year utilizing the DRDP. Below is a synopsis of the results.



Early Head Start – Checkpoint 3



Head Start – Checkpoint 3

Although the data presented to have their limitations as do all data, TREC Badlands Head Start saw substantial gains in all domains throughout the program year. The DRDP assessment data are a bit more difficult to interpret because there are so many benchmarks to examine for each goal and objective. However, consulting the graphic below, our programmatic goal is to have children move towards school readiness on the continuum. Children in both programs exhibited this trend well during the year in all developmental domain areas.

