**Board of Early Education and Care**

**December 13, 2023**

**1:00 PM – 4:00 PM**

**Department of Early Education and Care, Central Office**

**50 Milk Street, 5th Floor**

**Boston, MA 02109**

<https://www.youtube.com/c/EECMass>

**Members of the Board of Early Education and Care Present**

Dr. Patrick Tutwiler, Secretary of Education

Amy Kershaw, Commissioner

Paul Belsito, Chair

Maria Gonzalez Moeller, Vice-Chair

Carolyn Kain, J.D., Designee for HHS Secretary Kate Walsh

Jamella Lee

Nicki Ruiz de Luzuriaga (via phone)

George K. Atanasov

Mora Segal (via phone)

Linda D. Sagor, M.D., M.P.H.

**Members of the Board of Early Education and Care Not Present**

Stephanie M. Curenton, Ph.D.

Cheryl Travers

**Welcome and Comments from the Chair**

Chair Belsito provided opening comments and discussed the agenda for today’s meeting.

**Comments from the Secretary**

Secretary Tutwiler ceded his time considering the anticipated robust public comment.

**Comments from the Commissioner**

Commissioner Kershaw provided an update regarding the FY24 supplemental budget and highlighted the inclusion of a statutory change related to the price limitation rule. Commissioner Kershaw provided an update related to the Department of Early Education and Care’s (EEC) work to support families living in shelters and a durable goods initiative and on the teacher certification process. Commissioner Kershaw provided information regarding the location of next month’s Board of Early Education and Care (the Board) meeting.

**Statements from the Public**

Cheryl Itri, Director of Early Education and Care at South Boston Neighborhood House and Family, discussed the services provided by the South Boston Neighborhood House. She provided public comment requesting a 10% increase in the budget line item 3000-7050 in FY25 budget for Coordinated Families and Community Engagement Grant.

William Eddy, Executive Director of the Massachusetts Association of Early Education and Care (MADCA), discussed the services provided by MADCA. Mr. Eddy provided public comment in support of the proposed plan and discussed the impact rate increases will have on his organization. Mr. Eddy expressed support for cost-based rates and acknowledged that the proposed plan is a transition and encouraged the Board to approve the plan in order to present the plan to providers by February.

Sharon MacDonald, President and CEO Guild of St. Agnes, provided an overview of the services offered by The Guild of St. Anges and the populations they serve. Ms. McDonald offered support of the proposed rate changes and provided an update on current enrollment and staffing at The Guild of St. Agnes, as well as training initiatives with Worcester State College. She shared recent staff changes at The Guild due to a recent initiative of the City of Worcester to recruit teachers to the public school system and highlighted The Guild’s efforts to increase salaries. Ms. MacDonald shared how the proposed rate increases will affect The Guild’s ability to serve infants and stated that the rate increases will not affect salary increases. She encouraged the Board to approve the proposed plan.

Steven Huntley, Executive Director Valley Opportunity Council (VOC), provided an overview of the services provided by VOC. Mr. Huntley thanked the Commissioner for the commitment to regional equity and discussed how EEC’s Financial Assistance Regulation changes have assisted migrant families. Mr. Huntley expressed support for the three-tiered rate system.

Crystal Galvin, from the John F. Kennedy Family Service Center, provided public comment regarding how the Coordinated Family and Community Engagement Grant Program (CFCE) benefits the families who receive services from her program and requested a 10% increase of line item 3000-7050 in the FY25 budget to allow for growth.

Grace Richardson, Executive Director for the American Family Child Care Association, provided an overview of the services provided by her program. Ms. Richardson thanked the Board for including family child care providers in the Request for Information related to facilities improvement and urged the Board to set aside capital funding for family child care providers to improve their program spaces. She discussed challenges faced by family child care providers. Ms. Richardson also provided public comment in support of funding for family child care providers serving children with special needs.

Chair Belsito expressed gratitude for the public comment.

**Routine Business:**

* Approval of Minutes from November 8, 2023 Meeting – VOTE
  + Approved with Board Members Kain and Segal abstaining
* Acknowledgement of Disclosure
  + Chair Belsito acknowledged receipt of written disclosure from Vice-Chair Moeller pursuant to Mass. Gen. Law ch. 15D. (Herein incorporated by reference)

**Items for Discussion and Action:**

* Child Care Financial Assistance
  + FY24 Reimbursement Rate Increases and Proposed Reforms

Commissioner Kershaw invited Amy Checkoway-EEC Senior Associate Commissioner for Policy, Research, & Data, Adrienne Murphy-EEC Director of Data Analytics, and Leah Jack-EEC Project Manager to provide an update regarding FY4 Child Care Financial Assistance Reimbursement rates and proposed reforms. Commissioner Kershaw provided an overview of the presentation. Amy Checkoway acknowledged the team who contributed to the development of the proposed reforms. Ms. Checkoway provided background information regarding the Child Care Financial Assistance Reimbursement System and discussed key steps taken to reform the system to address inequities and simplify the structure. Ms. Checkoway shared data related to current daily reimbursement rates by region with percentile of market rate and discussed the impact of rate increases in FY23. Ms. Checkoway provided highlights from the cost study and provided an update on the status of the alternative methodology. Ms. Checkoway explained the recommendations from the cost study for reforms to the market rates. She discussed the strategy for FY24 increases and reforms and detailed the four goals of the reforms. Commissioner Kershaw highlighted that until the alternative methodology is approved and implemented, it is necessary to demonstrate continued progress toward the Federal Market Rate benchmark. Ms. Checkoway discussed the considerations for consolidating rates.

Commissioner Kershaw detailed the Rate Increase Funding included in the FY24 budget and how the line item language was considered when determining how funding could be applied.

Leah Jack detailed the sequence of calculations.

Ms. Checkoway provided an overview of the three rate increase options and highlighted that each option included a cost of living adjustment and consolidation of regions to simply the rate structure and address inequities. Commissioner Kershaw detailed the three options for revising the market rates and their implications. Commissioner Kershaw stated that EEC is recommending that the Board support the three-rate option because it is informed by the cost rate study, simplifies the regions, and allows for across the board increases, as well as targeted increases. She highlighted that the cost of infant care was carefully considered. Ms. Jack discussed the variables and considerations for each of the three options. Ms. Checkoway explained the cost of care assumes current compensation levels. Ms. Jack provided data related to how each option affects progress toward the 50% percentile of the market rate.

Ms. Checkoway provided additional information related to a comparable proposal for family child care rates. Commissioner Kershaw clarified that family child care providers who participate in the financial assistance system are represented by SEIU Local 509 and rate increases for family child care providers are subject to Board action, legislative line-item language and bargaining with the union. The intention of the rate increases is for a systemwide approach, and EEC will present the plan to the union on December 18, 2023 during a formal negotiation meeting. Ms. Checkoway provided data showing how each of the proposals affect the current rate cost of care distribution. Ms. Checkoway outlined additional rate recommendations for add-ons and family child care administration rates. Ms. Checkoway provided data showing the two-year rate increase percentages. Ms. Checkoway provided a closing summary of the three proposed options and asked the Board for feedback and discussion. Co-Chair Moeller, Ms. Checkoway, and Commissioner Kershaw discussed utilizing cost as a primary focus to inform rates and the importantance of considering market rates in order to understand costs facing families. Commissioner Kershaw discussed the timeline for the reforms and noted that additional levers are needed to reform the overall child care system.

Co-Chair Moeller expressed support of the three-rate option and commented that infant and preschool rates should be given further consideration. Board Member Kain expressed support and acknowledged EEC’s unprecedented progress towards equity. Board Member Ruiz de Luzuriaga commented that information needs to be shared regarding the impact of the previous market rate increase on parent fees. She further commented that the cost of care needs to be lowered across the board, including for parents who do not receive financial assistance. Board Member Segal asked for clarity on the variables and considerations between the three options compared to each other. Ms. Checkoway clarified that, for the three-rate option, the cost-of-living increase is the major consideration, as well as the cost of consolidation. She stated that the three-rate option allows the rates to be raised higher compared to the cost of care. Ms. Checkoway stated that there could be consideration for further consolidation in the future. Ms. Checkoway and Commissioner Kershaw shared the rationale for presenting the three options for the Board’s consideration. Commissioner Kershaw discussed next steps and potential future actions beyond FY24.

Break until 2:45

* + Contract Procurement Update

Commissioner Kershaw provided background information related to reforms to the Child Care Financial Assistance System and provided an update regarding the contracted provider procurement process. She stated that a Request for Information (RFI) was posted on COMMBUYS and a link is included in the Board materials. She acknowledged that the process is on a tight timeline to secure new contracts by July 1, 2024. Commissioner Kershaw highlighted the key topics of the RFI to gather input from contracted providers and family child care systems. Chair Belsito and Commissioner Kershaw discussed best practices for procurement to ensure compliance with state procurement rules set by the Operational Services Division.

* 2023 Year in Review/2024 Preview

Commissioner Kershaw provided an overview of progress in key areas in 2023 and shared major topics for Board input and action in FY24.

Board Members Kain and Sagor expressed appreciation and support for the Commissioner and EEC staff for the work accomplished in FY23.

Chair Belsito provided closing comments.

Meeting concluded at 3:10PM.