



# Commonwealth of Massachusetts

## Department of Early Education and Care

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### Meeting of the Board

*February 9 2021*



- **Current EEC Landscape**
  - Families – Discussion
  - Field Feedback (to date) – Discussion
- **Strategic Progress and Planning Update – Discussion**
- **FY21/22 Budget Update – Discussion**
  - FY22 Update
  - FY21 Analysis
- **Parent Fee Scale – Discussion & Vote**

**The needs of the Commonwealth are changing due to the pandemic, with more families facing increasing hardship and new employment structures.**

The lives of families across the Commonwealth have changed, based on data:

- MA labor force participation went down more than two times the rate of the US in general (BLS)
- Unemployment rate more than doubled in MA, and rose at a rate that was almost twice as much as the national increase over the last year (BLS)
- 1 in 3 adults had trouble paying for usual household expenses, 1 in 6 adults reported they did not have enough to eat sometimes or often (Center on Budget and Policy Priorities)
- 1 in 5 adults are not caught up on rent (Center on Budget and Policy Priorities)

Women's labor force participation and working families generally have shifted significantly:

- The share of US women who are working is the lowest in 35 years; the share of men at work is the lowest on record (PEW Research Center)
- Job losses have been concentrated among industries populated by women and BIPOC populations; Black and Latinx women have seen the greatest decreases in share of the workforce (PEW Research Center)
- In surveying of MA employers, over 70% are concerned about sustaining their female workforce (MA Business Survey)
- The changing needs of the workforce and employer shifts suggest increasing rates of remote and hybrid work that will require new child care models to meet demand

**Early education and care infrastructure must sustain and evolve to support family and employer needs – but forecasting will be critical to planning.**

As the economy recovers, early care and education programming will continue to be a critical need for families across demographics:

- Pre-COVID, EEC licensed programs totaled ~230,000 available licensed spots, with ~1M children in the Commonwealth age-eligible for care, three quarters of whom live in households where all adults work full time
- Economists have focused on each state's ability to address its child care crisis as a predictor of women's labor force return
- Women's labor force participation is a key driver for economic growth - and limits on that participation have been shown to equate to a slowdown in economic growth during economic recoveries (National Bureau of Economic Research)

~83% of pre-COVID providers have reopened as of February 2020. EEC is working to assess the future needs of families in relationship to early education and care, in order to appropriately drive program innovation while protecting the capacity of those providers that have already reopened.

***The following initiatives are underway to support forecasting and planning:***

- Tracking trends in subsidized caseload (Third Sector Intelligence-3SI)
- Identifying NE Region parent preferences and employment trends (Bipartisan Policy Center)
- Engaging with the business and employer community (Proposed across Secretariats)

**Similar to the Strategic Action Plan process, EEC will continue to use stakeholder feedback to drive design and implementation of strategies.**

In December, EEC launched a public engagement portal to systematize feedback across the Department and pillars of the Strategic Action Plan. In December and January, this included:

- 4 surveys, 1 for each pillar of the Strategic Action Plan, with 200-400 participants in each
- A series of live engagement sessions soliciting feedback to inform revisions to the licensing regulations, drawing over 400 participants across program types

### Necesitamos su voz.

El plan estratégico fue desarrollado con más de 11 000 residentes de Massachusetts; sus ideas, opiniones, preocupaciones y experiencia dieron origen a cada estrategia que implementaremos. Este proceso no termina aquí. Las oportunidades de participación son en vivo, en línea y a través de encuestas mensuales desde enero a junio de 2021. Participe, conéctese y apoye nuestra visión.

Esta visión adquirió vida gracias a los habitantes del estado. El destino de ella está en sus manos, la misión es nuestra, y juntos podemos crear un futuro mejor para los niños, los jóvenes y las familias.

- An interactive web site for visitors to understand the Strategic Action Plan had:
  - 8,400 page views
  - 4,800 visits
  - 4,400 unique visitors to the English language site
  - A few hundred to the Spanish language site
- Planned live engagement in February and March that will include additional webinars, surveys, and presentations on relevant topics

<https://www.eecstrategicplanportal.org>

Targeted feedback has been integrated into the Department's work in real-time:

## Licensing Regulation Revisions

- Less than 5% of respondents feel Licensing Regulations should continue to group all program types together
- Respondents asked for regulations that balance flexibility with the need for consistent interpretation and simplicity

## Parent Fee and Affordability of Care

- Stakeholders highlighted that parent fees contribute to program finances, which is problematic when families miss payments. 53% of respondents noted stable income for program staff as a 1<sup>st</sup> or 2<sup>nd</sup> priority for parent fee adjustments, stressing the need to ensure stable revenue for providers. 40% prioritized reducing early education costs; other considerations included subsidizing fair wages for educators and redefining income eligibility
- To improve the parent fee structure, half of respondents noted raising income eligibility levels as a priority, while 44% noted reducing fees for lower-income households as a priority. MA currently uses the federal income limit for subsidies.

## Educator Credentialing

- Majority of respondents felt the primary role of a credentialing system is to support educator career advancement (65%) or provide a clear professional pathway (50%)
- To recognize growing Educator competencies through a credentialing system, respondents were most interested in a combination of field work experience and credit-bearing coursework

## Program Quality

- The primary supports programs identified to drive improvement were Professional Development Centers (47%), program coaching (35%) and conferences and trainings (34%)
- The top 3 data sources programs use to improve their quality are ECERS, CLASS, and teacher observations

**To support evolving family needs, EEC must balance urgent investments for program stability with opportunities to improve systems of support and accountability. These continuous feedback loops will be essential to responsiveness in a fluid landscape while “building back better”.**

- **Current EEC Landscape**

- Families – Discussion
- Field Feedback (to date) – Discussion

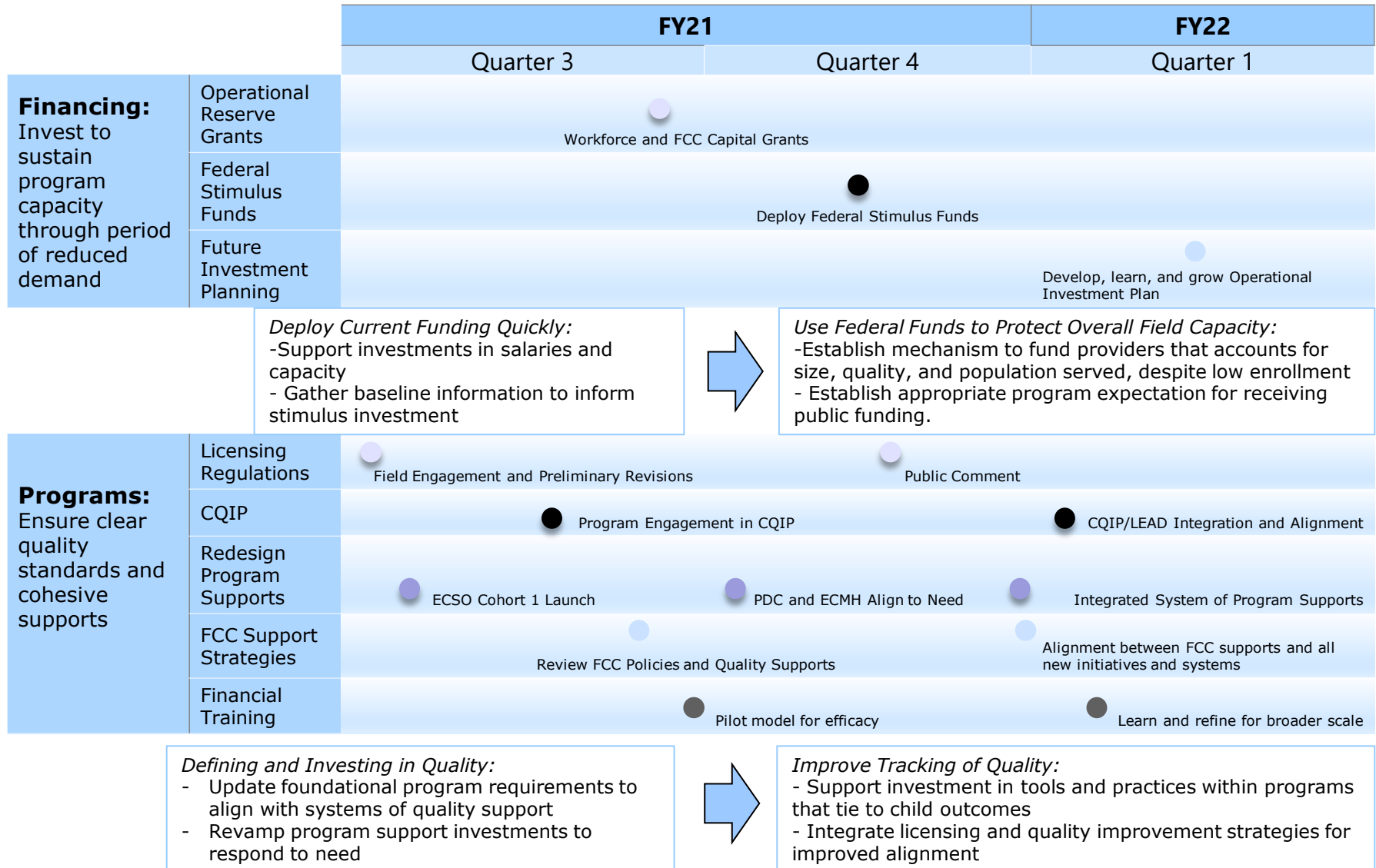
- **Strategic Progress and Planning Update – Discussion**

- **FY21/22 Budget Update – Discussion**

- FY22 Update
- FY21 Analysis

- **Parent Fee Scale – Discussion & Vote**

# Investing in Stability while Improving the System





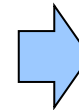
# Investing in Stability while Improving the System (cont'd)



		FY21		FY22
		Quarter 3	Quarter 4	Quarter 1
<b>Educators:</b> Build user-oriented supports and clear professional pathways	Background Record Checks	BRC Policies and Systems	Technology Design	Launch new BRC process, policies, system
	Registry	Registry Design	IT Development	Launch and refine
	Credential	Credential Development	Design and Public Engagement	Transition into Registry

## *Design Systems of Educator Support:*

- Ensure systems to create a cohesive educator experience with all EEC functions
- Create aligned workforce expectations and tracking mechanisms



## *Invest in Educator Advancement:*

- Transition field to a unified educator competency measure through registry
- Use registry information to design and deploy educator supports

<b>Families:</b> Ensure affordable access to programs that meet their needs	Assess Parent Needs	Supply/Demand Analytics Development	Family Preferences Report	Build business partnerships
	Subsidy Access	Parent fee model adopted	Subsidy regulation revisions	New subsidy policies and system
	B-3 <sup>rd</sup> Continuum	Stakeholder Engagement		Build aligned tracking across systems
	Community Infrastructure	Local needs assessment	Pilots of community support infrastructure	Expanded state investment to respond to parent needs

## *Improve Foundational Supports for Families:*

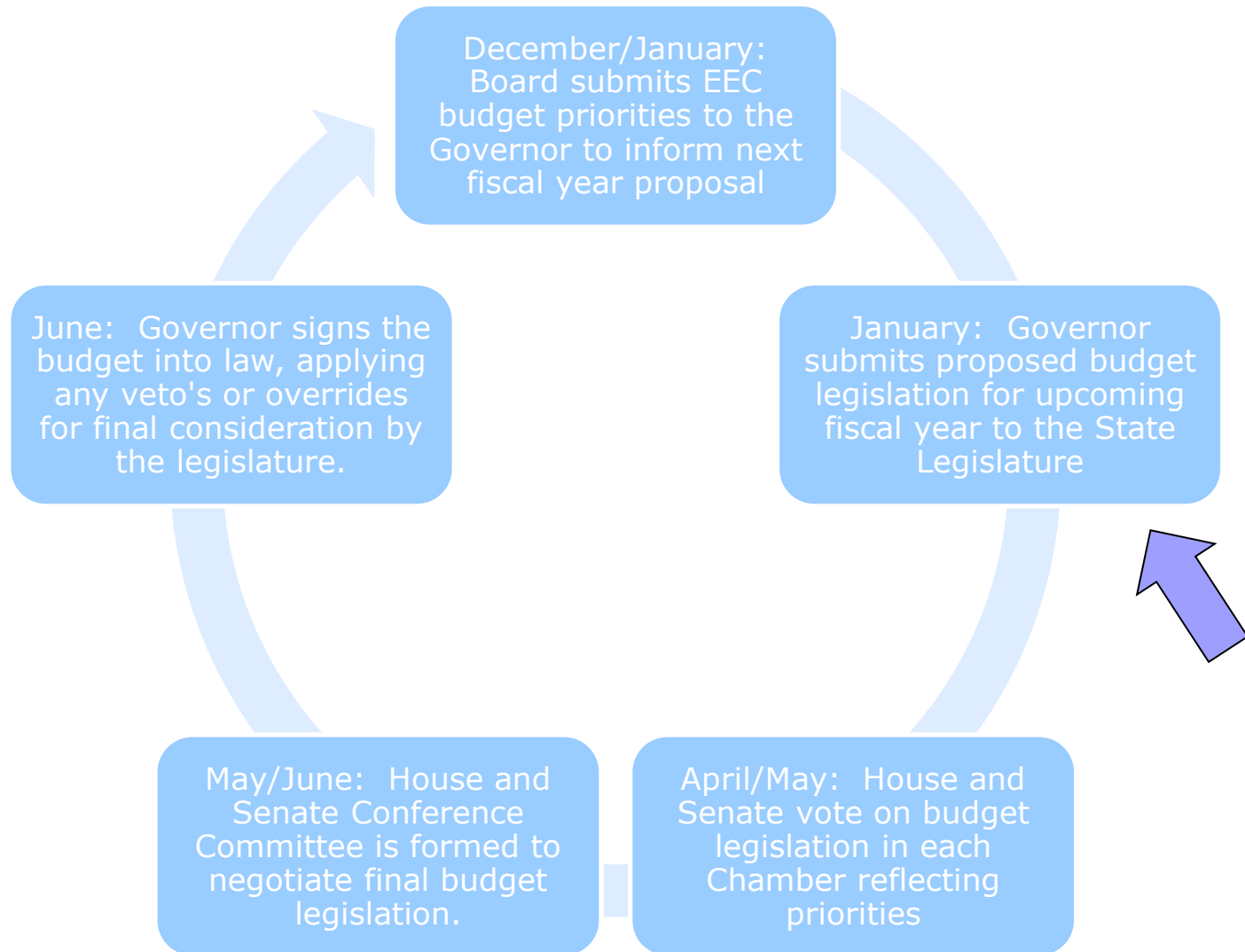
- Reduce barriers for families to use subsidy system
- Gather improved information around what families need



## *Build Systems for Community-Level Support for Families:*

- Expand state support for local systems of collaboration and data utilization
- Align state investments and data tracking to better respond to real-time parent needs

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- EEC Board recommended two guiding principles for consideration:
  - Maintain child care program investments at FY21 levels, and build in more flexibility to support a fluid and responsive recovery for the field and for working families
  - Complete the investments initiated in FY20 and FY21 to sustain staffing and infrastructure, driving the transformation envisioned by the Department's strategic plan

*These recommendations are aimed to address the urgent need from providers and enable EEC to most effectively fulfill its obligations and support the Early Education and Care field within the Commonwealth's recovery plan*

- The Governor endorsed the principles recommended by the Board in his recommendations by:
  - Fully funding EEC’s staffing and infrastructure needs
  - Annualizing rate increases offered in FY21
  - Despite the uncertainty of caseload projection in this unprecedented year, the Governor recommends maintaining caseload funding levels (excluding one-time appropriation for parent fees) to provide stability to the field.

## EEC's per-child subsidy costs have grown, and many fewer children received assistance YOY



When reviewing EEC subsidy data comparing Dec '19 with Dec '20, we observed:

- Even though monthly spending stayed stable (-1%), the **number of children receiving subsidies dropped by nearly a quarter** from December '19 to December '20.
- The number of children assisted went down in every age group, with 13,096 fewer assisted compared to last year at same time. The **largest percentage decrease was for infant subsidies**, which were down by nearly a half.
- Looking at expenditures (vs. numbers served), there were significant losses in infant (-42%) and toddler (-17%) monthly subsidy expenditures. However, **monthly school-aged spending went up by nearly one quarter** or approximately \$3.2M.
- The **per child average monthly subsidy went up by about \$222 or 29% YOY**. There were increases in average assistance for all age groups. However, school-aged subsidies went up by 57%.

**Conclusion: Despite the maintenance of available subsidy funding, the number of children served has gone down even as the average per-child subsidy has increased. Further, there has been a significant shift in subsidy receipt away from infants and toddlers and toward school-aged children.**

# FY21 Analysis Conclusion: Ongoing Unpredictability for Caseload Expenditures

(full caseload analysis in Appendix)



As we have seen, the COVID-19 crisis has made caseloads unpredictable for FY21. Parent demand is being influenced by external factors:

- 47.2% of EEC enrollment is school age, up almost 2% since last year, representing over 4,000 children.
- Costs for these students is largely dependent on school district schedules, which have driven up costs substantially.
- Average spending on school age children has increased by 57% in FY21.
- Parents in communities with high transmission rates have been reluctant to enroll, while frequent closures due to quarantining and positive cases make child care unstable for many families.
- Fluctuations in parent employment and DTA enrollment make it hard to predict parent needs. The Commonwealth went from 2.8% unemployment in March 2020 to 7.4% unemployment in December 2020.

The COVID-19 recovery will make parent needs unpredictable through 2021. The following factors will continue to impact parents:

- School age children's needs will depend on school district models for Spring, Summer, and Fall
- Ongoing changes to employment models will continue to drive changes in family needs
- Predicted changes in birth rates will drive down needed care for younger children
- Parent confidence in child care safety will be driven by various COVID related factors
- Migration of families across communities and states will drive need for child care across regions

**Given foreseeable instability in caseload enrollment, EEC will be leveraging state and federal flexibility to invest in strategies that sustain operational and workforce capacity.**

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# Summary of Parent Fee Model Proposed



## Summary of The Proposed Parent Fee Scale before the Board:

- Fee scale only considers income that is above the poverty threshold.
- Model expects co-pays to begin when family incomes exceed 100% of the poverty level.
- The model uses a parent co-pay schedule in which 28 equally sized income ranges have been developed spanning from those at and under 100% of poverty to incomes at 85% of State Median Income (maximum allowed by federal regulations).
  - Co-pay requirements in each row are based on assigned percentages of a family's income, charged on income over the poverty threshold only, by family size.
  - Assigned percentages range from a low of 4% for row 2 (families just above the poverty threshold) to a high of 15.6% on income for row 28 (those just under 85% of SMI) for the first child (youngest child).
  - These percentage rates yield expected co-payments that equal <0.01% to 12% of a family's full income, once the income under poverty has been subtracted.
  - Sibling discounts are applied at 50% for the second child and 25% for all additional children.

## Summary of Results of Proposed Fee Scale:

- 99% of families pay a fee that is lower or the same
- 98% of families pay a fee that is 7% of income or less
  - For single parents with 2+ children, 97% pay fees that are 7% of income or less
- Average fee for all fee-paying families is 2.4% of income

**The Department seeks the Board's authority to solicit public comment on the changes put forth in this new parent fee scale, consistent with the Department's proposed policy directions.**

# Timeline for Implementation

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- Feb 9: Vote to approve parent fee chart subject to public comment
  - Week of March 1, Public Hearing Engagement on Parent Fee Model and Implementation
- April 13: Board Update on Parent Fee Model Implementation and Feedback
- Spring (meeting date TBD): Board vote on proposed subsidy regulatory revisions, inclusive of parent fee model implementation
  - Public hearings subsidy regulatory revisions will be scheduled subsequent to vote
  - Public comment period solicited for all regulatory changes
  - EEC reviews comment and reports back to the board, accordingly
- FY22: Target for implementation of new regulations
  - Technology build out of the new fee scale will be implemented in CCFA prior to implementation
  - Online calculator of parent fees will be developed to assist subsidy administrators and parents
  - Parents will begin paying parent fees with the implementation of the new parent fee scale, with all decreases in parent fees addressed immediately upon implementation
  - No parent fee will be increased due to changes in the parent fee scale until co-payments are fully reassessed on their reauthorization date

# APPENDIX

## Family Needs

**Engagement Data to Date**

**Caseload**

# Massachusetts families have experienced labor market changes.

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When examining MA labor market statistics<sup>1</sup> from the period Dec '19 through Dec '20, we observed:

- The MA labor force participation went down (-4.6%) more than two times the rate of the U.S. rate (-2.4%).
- The unemployment rate went from 2.8% to 7.4% in MA. It rose (+155%) by almost twice as much as the national rate (+84%) during the same period.

According to data collected by the US Census, families across the country and in MA experienced changes in the labor market due to COVID (as of late 2020):

- More than 1 in 3 MA adults had trouble paying for the usual household expenses in the last 7 days. This rate rises to nearly half for families with children nationwide.
- 16% or 1 in 6 adults in MA families reported that they did not have enough to eat sometimes or often in the last 7 days (vs. 10% of all MA adults). Food hardship nationwide is at 4X pre-pandemic rates for families with children.
- The number of SNAP recipients in MA increased by 15% from February to August 2020.
- Nearly 1 in 5 adults in MA are not caught up on rent during the pandemic. For adults in families with children the rate nationwide is nearly twice (31%) that of households without children (14%).

Sources:

1. US Bureau of Labor Statistics found at: <https://www.bls.gov/regions/new-england/data/xg-tables/ro1xg02.htm>
2. Center on Budget & Policy Priorities COVID Hardship Watch (using US Census Pulse Survey data): <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and>



## Balancing work and care remains difficult.

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According to the PEW Research Center's research on the impact of COVID on families:

- Fewer mothers and fathers in U.S. are working due to COVID-19 downturn; those at work have cut hours. The **share of men at work is the lowest on record and the share of women in work is the lowest in 35 years.**
- The **share of mothers who are working fell during the pandemic, regardless of the age of the children**, with Black and Hispanic mothers seeing an even greater decrease in work.
- A rising share of working parents in the U.S. (52%) with children younger than 12 in the household say it has been difficult to handle childcare responsibilities during the coronavirus outbreak, up from 38% who said this in March 2020.
- Even in industries where majorities can telework, some face challenges working from home during pandemic. **Among teleworkers moms are about twice as likely to say they have a lot of childcare responsibilities** while working.
- Roughly **half of employed parents (49%) say they felt like they could not give 100%** at work since the outbreak began and **30% say they needed to reduce their work hours.** Fewer say they have turned down an important work assignment (13%) or a promotion (6%).
- In the pandemic, **the share of unpartnered moms at work fell more sharply** (9 percentage points) than among other parents. The drop was even higher (11%) for moms with kids under 5.

# **APPENDIX**

## **Family Needs**

### **Engagement Data to Date**

## **Caseload**

## Purpose/ Introduction

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Through the implementation of its Strategic Action Plan, EEC continues to engage, listen, and partner with community and providers to ensure our design and implementation are informed by the stakeholders they impact– and young children have the care and education needed to thrive in school and life.

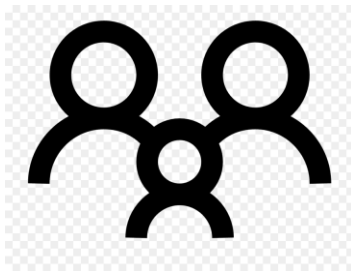
Through the Strategic Action Plan Engagement Portal, EEC is working to leverage the voices of its constituents to shape the implementation of its strategic plan. With targeted topics that will evolve every 6-8 weeks, the surveying and live engagement mechanisms offered through the portal are a means of gathering qualitative and quantitative data to guide the critical system investments and supports EEC designs and implements.

In December and January, EEC conducted surveys on the following areas, each tied to a 'Pillar' of the strategic plan work, including families, educators, programs, and system:

1. Family Survey: Spotlight on Parent Subsidy Co-Pays
2. Educator Survey: Spotlight on Credentialing
3. Program Survey: Spotlight on Defining Quality
4. System Survey: Spotlight on Licensing Regulations

This summary of survey results will be complemented with feedback gathered from live engagement January - June.

# Parent Co-Pay Survey Findings



## Participation

- 398 respondents by January 24<sup>th</sup>, 2021
- 63 family members (16%)
- 147 FCC systems (37%)
- 6 CC R & R (2%)
- 170 Administrators / Program Directors (43%)

EEC is exploring ways to increase access to high quality early education and care for families as part of its vision to support children to reach their full potential now and in the future.

We are responding to concerns that the current approach to subsidies can still be unaffordable for many families due to the parent co-pay. As a result, we have been looking closely at the parent co-pay structure to find ways to improve affordability and accessibility for families in the subsidy system.

In order to improve overall affordability of care...

**53% noted stable income for program staff** as a 1st or 2nd priority

**40% noted reducing early ed costs** as a 1st or 2nd priority

Other considerations included **subsidizing fair wages** for educators and **redefining income eligibility**

The biggest challenges for parents who had trouble paying co-pays were competing needs like cost of living and unique family challenges

In order to improve the parent fee structure...

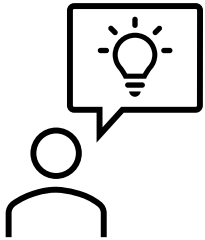
**48% noted raising income eligibility levels** as a 1st or 2nd priority

**44% noted reducing fees for lower-income ranges** as a 1st or 2nd priority

Also cited interest in **flexibility** for family circumstances



# Educator Credentialing Survey Findings



## Participation

- 378 respondents by January 24<sup>th</sup>, 2021
- 131 Educators (35%)
- 184 program administrators (49%)
- 102 are Center-Based Early Education Providers (27%)

The EEC vision for Educators is that the early childhood and out of school time workforce is professionally prepared, well supported, adequately compensated, and culturally and linguistically representative of the population it serves.

To support this vision, EEC is building a clear, accessible credential framework that can follow individuals across roles and positions. We see this framework being used to assess professional levels of the workforce, recruit and retain individuals in the field, and inform professional training and development across both formal and informal programs.

- When asked what the most important role of a credentialing framework is...
  - 65% of respondents selected **supporting educator career advancement** as a 1<sup>st</sup> or 2<sup>nd</sup> priority
  - 50% of respondents selected **providing a clear professional pathway** as a 1<sup>st</sup> or 2<sup>nd</sup> priority
  - Educators' top priorities were career advancement (73%) and professional development that supports core competencies (41%)
- To build competencies, respondents were most interested in a combination of field work experience and credit-bearing coursework
- To assess competencies gained through work experience, respondents support utilizing supervisor **checklists** (60%), family and supervisor **attestations** (55%), and sample **lesson plans** (38%)
- Respondents were almost evenly split on the idea of a single credential ladder
  - 43% opposed it, due to its inflexibility and limitations to experiences
  - 41% supported it, citing clarity, consistency and quality
- Over half of respondents did not support or were unsure about annual credential renewals, noting concerns about renewal costs and alternative renewal timelines
- 82% agree credential levels should reflect increased experience and formal education & training, but **emphasize the importance of experience**

# Program Quality Survey Findings



## Participation

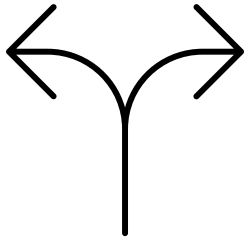
- 295 respondents by January 24<sup>th</sup>, 2021
- 154 FCC (52%)
- 73 Center Based (25%)
- 154 licensed providers (52%)
- 169 Administrators / Program Directors (57%)

The EEC vision for programs is to increase sustainability, support continuous quality improvement, and promote high quality education and healthy development among children and youth.

To support this vision, EEC is preparing to launch a new approach to quality that views licensing as the first tier of program quality and integrates more closely with EEC regulations to represent that foundation for quality. The new approach to quality will also be custom by program type, be paired with supports to ensure programs can progress through the rating scale and target financial incentives to build quality programs for families and geographies that need them most.

- ~70% of respondents self-reported not feeling very familiar with the current Quality Rating Improvement System (QRIS)
- The top 3 data sources currently used by responding programs to improve program quality were: **ECERS, CLASS, and teacher observations**
- When asked what the role of a CQI plan should be...
  - 67% of respondents selected **focusing quality improvements** as their 1st or 2nd priority
  - 49% of respondents selected **informing strategy and planning** as their 1st or 2nd priority
- Respondents found that **Professional Development Centers** (47%), **program coaching** (35%) and **Conferences & Trainings** (34%) were the most effective at driving program improvement
- When asked where programs need support to grow quality...
  - 47% of respondents selected **learning through reflective practice** as their 1st or 2nd priority
  - Respondents were about evenly split on other options such as: using data to inform improvement, thinking deeply about improvement, and evaluating successes and challenges

# Licensing Regulations Survey Findings



## Participation

- 298 respondents by Jan. 24, 2021
- 257 represent licensed early education and care settings (86%)
- 75 of these were FCC and 181 were from Center based settings
- 166 Administrators / Program Directors

EEC's vision for the system is that we can efficiently and effectively steward public investments in early education and care with utmost integrity, transparency and accountability to the people of Massachusetts.

A central part of this vision is orienting everything we do around our constituents. An overhaul of our regulations, policies, and protocols is the first step in making sure these foundational guidelines for the field are simple, coherent, and easy to follow.

- Just 11/298 respondents did not support the concept of **separating regulations by program type**
- Respondents cited most interest in **documentation flexibility, space flexibility, and fewer administrative plans** when considering how to reduce non-compliances
- When asked how regulations could be simplified to improve understanding, respondents most noted **simplifying language, flexibility** for different program types, and that regulations should be built in a way that enables **consistent interpretation**
- Flexibility among different program types is most cited to address inequities created by licensing regulations
- 20% of those responding show interest in **enhancing or deepening relationships with their licensors**

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**Family Needs**

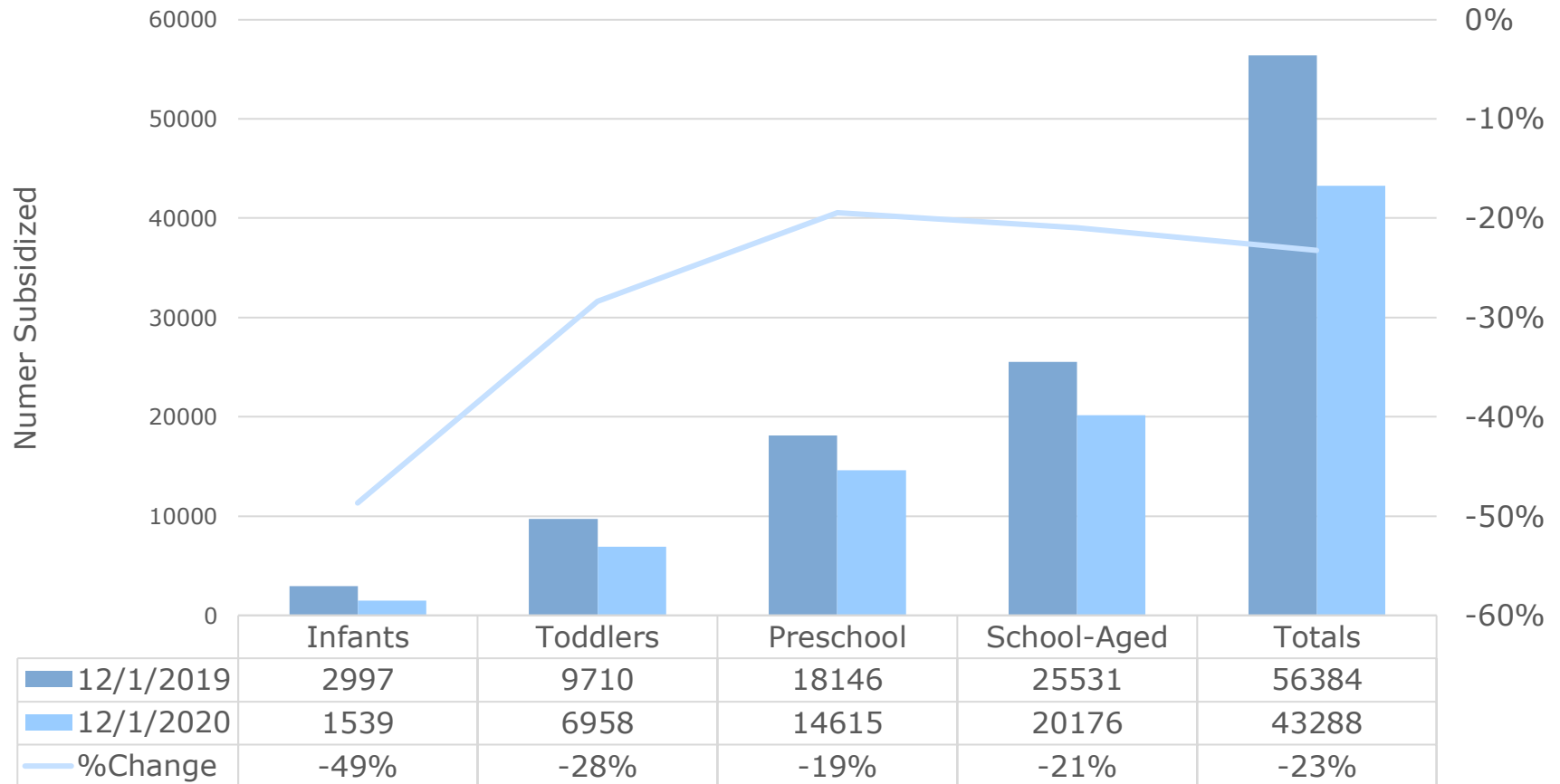
**Engagement Data to Date**

**Caseload**

# Even keeping EEC's subsidy expenditures stable, the number of children served per month went down by ¼ YOY.



COVID-19 Impact on Number & Age Distribution of EEC Childcare Assistance Dec 2019 vs. Dec 2020

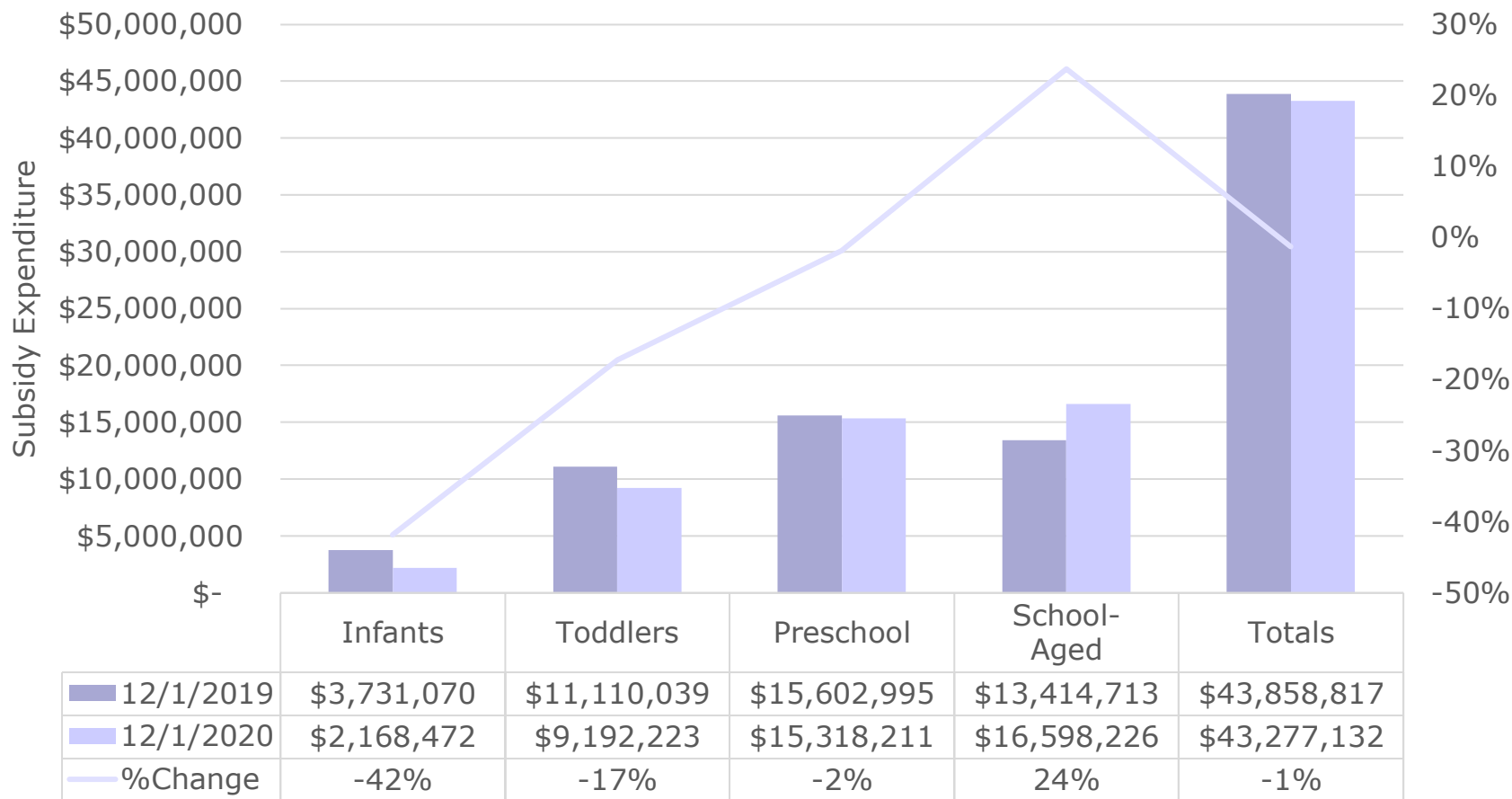


Source: EEC Child Care Financial Assistance Application (CCFA) billing data for service months of December 2019 and 2020

# About \$3M in subsidy spending shifted from infant/toddler subsidies to school-aged subsidies.

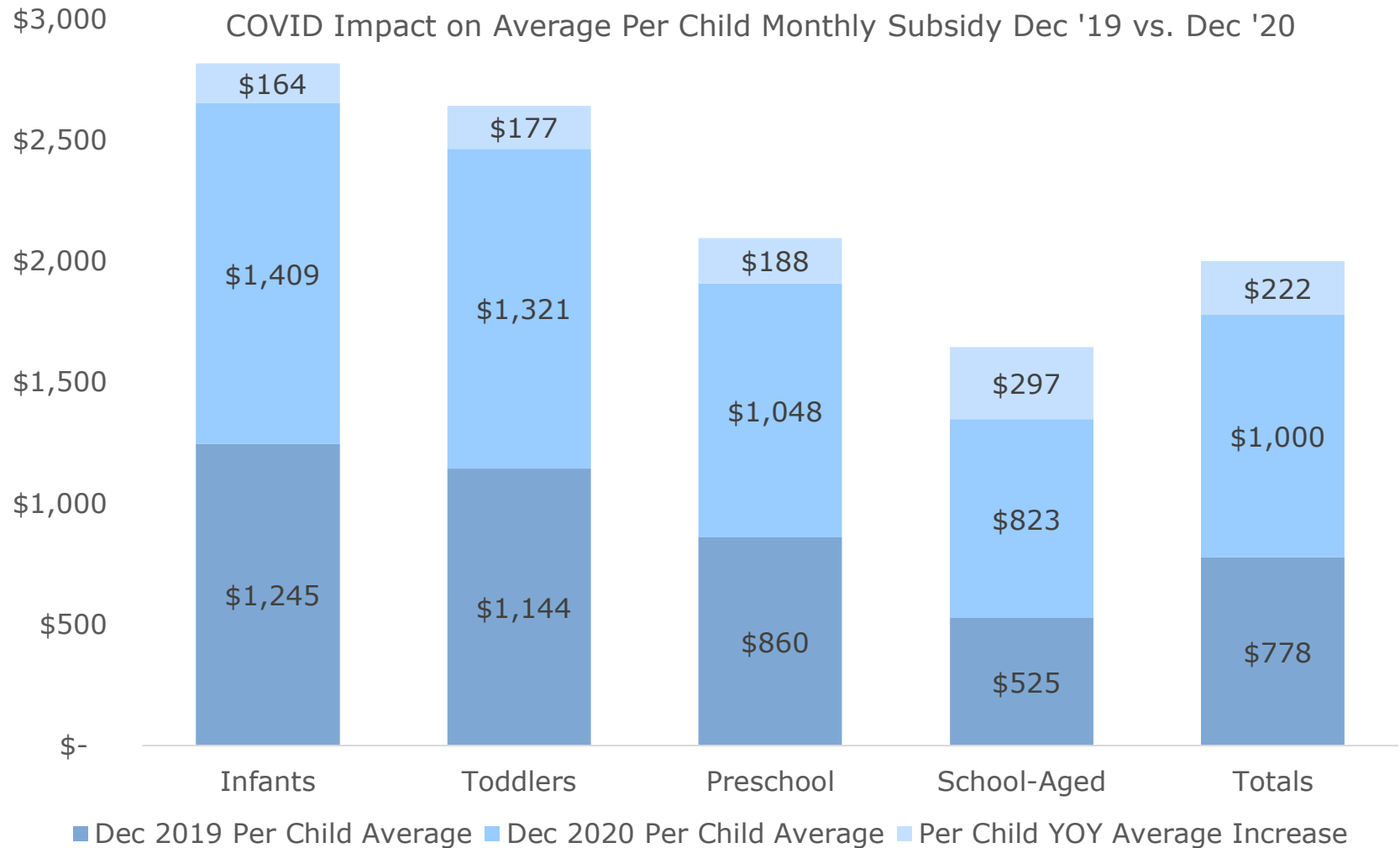


COVID-19 Impact on Expenditure & Age Distribution of EEC Childcare Assistance Dec 2019 vs. Dec 2020



Source: EEC Child Care Financial Assistance Application (CCFA) billing data for service months of December 2019 and 2020

# The per child monthly subsidy grew across age groups, but most dramatically for school-aged kids (+57%).



Source: EEC Child Care Financial Assistance Application (CCFA) billing data for service months of December 2019 and 2020

# FY21 Caseload Account Spending Update



<b><i>Number of Children Billed</i></b>							
	<b>June Actuals</b>	<b>July Actuals</b>	<b>Aug Actuals</b>	<b>Sept Actuals</b>	<b>Oct Actuals</b>	<b>Nov Actuals</b>	<b>Dec Actuals</b>
DCF Voucher	4,624	4,132	3,830	3,940	3,868	3,859	3,815
DCF Contract	7,449	7,398	6,744	6,750	6,380	6,175	6,022
DTA Voucher	11,574	10,416	9,497	9,278	8,717	8,266	7,692
IE Voucher	20,313	17,538	16,607	16,815	16,140	15,961	15,867
IE Contract	11,239	10,854	10,132	10,228	9,763	9,770	9,808
	<b>55,199</b>	<b>50,338</b>	<b>46,810</b>	<b>47,011</b>	<b>44,868</b>	<b>44,031</b>	<b>43,204</b>
<b><i>Current YTD Actuals with Comparison to Last Year's Actual Costs</i></b>							
	<b>June Actuals</b>	<b>July Actuals</b>	<b>Aug Actuals</b>	<b>Sept Actuals</b>	<b>Oct Actuals</b>	<b>Nov Actuals</b>	<b>Dec Actuals</b>
3000-3060 Base Caseload	\$ 26,144,980	\$ 28,162,739	\$ 21,749,339	\$ 22,435,904	\$ 20,949,844	\$ 19,536,467	\$ 20,724,649
3000-4060 Base Caseload	\$ 24,055,928	\$ 24,256,298	\$ 19,533,134	\$ 19,283,208	\$ 19,111,708	\$ 18,425,801	\$ 20,200,936
Parent Fees	\$ 6,389,618	\$ 6,675,018	\$ 5,554,077	\$ 5,302,693	\$ 5,244,585	\$ 5,076,997	\$ 5,591,842
<b>Total:</b>	<b>\$ 56,590,526</b>	<b>\$ 59,094,054</b>	<b>\$ 46,836,549</b>	<b>\$ 47,021,805</b>	<b>\$ 45,306,137</b>	<b>\$ 43,039,265</b>	<b>\$ 46,517,426</b>
<b>FY2020 Actuals</b>		\$ 56,568,004	\$ 51,727,587	\$ 43,455,246	\$ 48,807,642	\$ 45,228,985	\$ 47,630,606
<b><i>Difference</i></b>		\$ 2,526,050	\$ (4,891,038)	\$ 3,566,559	\$ (3,501,505)	\$ (2,189,720)	\$ (1,113,180)

## Notes:

- June and July billing numbers reflect families transiting during reopening.
- Despite lower enrollment, school age children enrolled in full-day programming will continue to increase costs.
- School age children represent approximately 50% of the billed caseload





## FY21 Caseload Account Spending Update

- Since the start of September, the average daily rate paid across all program types has increased over 6% while the number of children in care has dropped by 10%.
- Compared to the same time period last year, EEC is experiencing significantly higher costs, with markedly lower caseload.
- Expenses in the Income Eligible account have increased, as the child count has gone down.

<b>FY2021</b>	<b>Jul-20</b>	<b>Aug-20</b>	<b>Sep-20</b>	<b>Oct-20</b>	<b>Nov-20</b>	<b>Dec-20</b>
FY2021 Number of SA Children	24,804	22,546	22,304	20,525	20,215	20,143
FY2021 Total Cost of SA Care*	\$19,141,012	\$15,458,632	\$13,979,191	\$13,380,934	\$12,850,418	\$14,069,980
FY2021 Number of Billable Days	23	21	22	22	21	23
<b>Average Daily Rate Paid</b>	<b>\$33.55</b>	<b>\$32.65</b>	<b>\$28.49</b>	<b>\$29.63</b>	<b>\$30.27</b>	<b>\$30.37</b>
<b>% Change from prior month</b>		<b>-2.69%</b>	<b>-12.74%</b>	<b>4.02%</b>	<b>2.15%</b>	<b>0.33%</b>
<b>FY2020</b>	<b>Jul-19</b>	<b>Aug-19</b>	<b>Sep-19</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>
FY2020 Number of SA Kids	27,854	28,245	24,888	24,492	24,885	25,477
FY2020 Cost of SA Care*	\$20,649,400	\$18,723,006	\$11,416,269	\$13,049,888	\$12,443,999	\$13,843,077
FY2020 Number of Billable Days	23	22	21	23	21	22
FY2020 Average Daily Rate Paid	\$21.84	\$21.84	\$21.84	\$23.17	\$23.81	\$23.81
<b>Comparison</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
<b>% Change FY20 to FY21 - # of children</b>	<b>-10.95%</b>	<b>-20.18%</b>	<b>-10.38%</b>	<b>-16.20%</b>	<b>-18.77%</b>	<b>-20.94%</b>
<b>% Change FY20 to FY21 - Daily Rate</b>	<b>53.61%</b>	<b>49.48%</b>	<b>30.43%</b>	<b>27.92%</b>	<b>27.12%</b>	<b>27.54%</b>

Note: To provide an accurate year to year comparison, the FY20 cost was adjusted to include the FY21 FCC rate increase and the FY21 Cost excludes the value of parent fees paid.



# FY21 Caseload Account Spending Update

- Monthly Decline in Daily Spending Rate
  - To compare monthly expenses, EEC uses a daily spending rate to account for different number of days in each month.
  - While enrollment rates continue to decline, reductions in Daily Spending Levels have slowed and indicate that they will likely begin increasing in the coming months as more children school age children need full day care.

# of Days	23	21	22	22	21	23
	July Actuals	Aug Actuals	Sept Actuals	Oct Actuals	Nov Actual	Dec Actual
% change from previous month		-13.19%	-4.17%	-3.65%	-0.48%	-1.32%
3060 Daily	\$ 1,224,467	\$ 1,035,683	\$ 1,019,814	\$ 952,266	\$ 930,308	\$ 901,072
<b>3060 Total</b>	<b>\$ 28,162,739</b>	<b>\$ 21,749,339</b>	<b>\$ 22,435,904</b>	<b>\$ 20,949,844</b>	<b>\$ 19,536,467</b>	<b>\$ 20,724,649</b>
4060 Daily Cost	\$ 1,054,622	\$ 930,149	\$ 876,509	\$ 868,714	\$ 877,419	\$ 878,302
<b>4060 Total</b>	<b>\$ 24,256,298</b>	<b>\$ 19,533,134</b>	<b>\$ 19,283,208</b>	<b>\$ 19,111,708</b>	<b>\$ 18,425,801</b>	<b>\$ 20,200,936</b>
Parent Fees Daily	\$ 290,218	\$ 264,480	\$ 241,031	\$ 238,390	\$ 241,762	\$ 243,124
<b>Parent Fee Total</b>	<b>\$ 6,675,018</b>	<b>\$ 5,554,077</b>	<b>\$ 5,302,693</b>	<b>\$ 5,244,585</b>	<b>\$ 5,076,997</b>	<b>\$ 5,591,842</b>
<b>Total Monthly Cost</b>	<b>\$ 59,094,054</b>	<b>\$ 46,836,549</b>	<b>\$ 47,021,805</b>	<b>\$ 45,306,137</b>	<b>\$ 43,039,265</b>	<b>\$ 46,517,426</b>

# Income Eligible Utilization - Overview



Income Eligible Child Care	Anticipated	Current Placements	Difference	Percent Utilized
Voucher	21,665	16,176	5,489	74.7%
Contract	13,716	9,265	4,451	67.5%
<b>Total</b>	<b>35,381</b>	<b>25,441</b>	<b>9,940</b>	<b>71.9%</b>

*Source:*

- Voucher information based on CCRR weekly report for week ending 1/30/2021.
- Contract information based on contract utilization on 2/1/2021.

# Income Eligible Utilization – Voucher Detail



CCRR	Voucher Allocation	Current Placements	Difference	Percent Utilized	Current Waitlist
Child Care Choices of Boston (Boston)	3,374	2,342	1,032	69.41%	2,184
Child Care Circuit (Northeast)	6,274	4,953	1,321	78.94%	4,286
Child Care Network (Cape & The Islands)	1,114	753	361	67.59%	615
Child Care Resources (Central)	2,602	1,998	604	76.79%	1,217
Community Care for Kids/QCAP (Metro)	1,743	1,067	676	61.22%	1,159
New England Farm Workers (Western)	3,092	2,257	835	72.99%	2,232
PACE Child Care Works (Southeast)	3,466	2,806	660	80.96%	1,906
<b>Total:</b>	<b>21,665</b>	<b>16,176</b>	<b>5,489</b>	<b>74.66%</b>	<b>13,599</b>

*Source:*

- Voucher information based on CCRR weekly report for the week ending 1/30/2021.
- Waitlist information based on active children as of 2/5/2021

# Income Eligible Utilization – Contract Detail



Region	Program Type Description	Slots Awarded	Slots Used	Flex Slots Used	Total Slots Used	Slots Open	Percent Utilized	Current Waitlist
1	GSA - Infant to Pre-School	1,081	579.5	3	582.5	498.5	53.89%	1,270
	GSA - School Age	631	274.0	8	282.0	349.0	44.69%	962
	FCC - All Ages	295	217	4	221	74	74.92%	
<b>Region Totals</b>		<b>2,007</b>	<b>1,071</b>	<b>15</b>	<b>1,086</b>	<b>922</b>	<b>54.09%</b>	<b>2,232</b>
2	GSA - Infant to Pre-School	483	365	14	379	104	78.47%	567
	GSA - School Age	349	307	4	311	38	89.11%	357
	FCC - All Ages	562	521	68	589	-27	104.80%	
<b>Region Totals</b>		<b>1,394</b>	<b>1,193</b>	<b>86</b>	<b>1,279</b>	<b>115</b>	<b>91.75%</b>	<b>924</b>
3	GSA - Infant to Pre-School	1,122	790	15	805	317	71.75%	2,644
	GSA - School Age	901	732.5	7	739.5	161.5	82.08%	1,640
	FCC - All Ages	748	689.0	61	750.0	-2.0	100.27%	
<b>Region Totals</b>		<b>2,771</b>	<b>2,212</b>	<b>83</b>	<b>2,295</b>	<b>477</b>	<b>82.80%</b>	<b>4,284</b>
4	GSA - Infant to Pre-School	601	357.5	6	363.5	237.5	60.48%	1,223
	GSA - School Age	535	296.5	7	303.5	231.5	56.73%	645
	FCC - All Ages	423	363.5	8	371.5	51.5	87.83%	
<b>Region Totals</b>		<b>1,559</b>	<b>1,017.5</b>	<b>21</b>	<b>1,038.5</b>	<b>521</b>	<b>66.61%</b>	<b>1,868</b>
5	GSA - Infant to Pre-School	1,175	664	21	685	490.0	58.30%	1,486
	GSA - School Age	925	476.0	0	476.0	449	51.46%	971
	FCC - All Ages	451	321.5	0	321.5	129.5	71.29%	
<b>Region Totals</b>		<b>2,551</b>	<b>1,462</b>	<b>21</b>	<b>1,483</b>	<b>1,069</b>	<b>58.11%</b>	<b>2,457</b>
6	GSA - Infant to Pre-School	1,923	840.0	21	861	1,062.0	44.77%	1,151
	GSA - School Age	716	448	20	468.0	248	65.36%	683
	FCC - All Ages	795	738.0	18	756.0	39.0	95.09%	
<b>Region Totals</b>		<b>3,434</b>	<b>2,026</b>	<b>59</b>	<b>2,085</b>	<b>1,349</b>	<b>60.72%</b>	<b>1,834</b>
<i>GSA - Infant to Pre-School Total</i>		<i>6,385</i>	<i>3,596.0</i>	<i>80</i>	<i>3,676.0</i>	<i>2,709.0</i>	<i>57.57%</i>	<i>8,341</i>
<i>GSA - School Age Total</i>		<i>4,057</i>	<i>2,534</i>	<i>46</i>	<i>2,580</i>	<i>1,477</i>	<i>63.59%</i>	<i>5,258</i>
<i>FCC - All Ages Total</i>		<i>3,274</i>	<i>2,850</i>	<i>159</i>	<i>3,009</i>	<i>265</i>	<i>91.91%</i>	
<b>Grand Total</b>		<b>13,716</b>	<b>8,980.0</b>	<b>285</b>	<b>9,265.0</b>	<b>4,451.0</b>	<b>67.55%</b>	<b>13,599</b>

Source:

- Contract information based on contract utilization on 2/1/2021.
- Waitlist information based on active children as of 2/5/2021.

# Income Eligible Utilization – Waitlist Detail



Region	Infant	Toddler	Preschool	School Age	Total
Region 1 - Western	301	481	488	962	2,232
Region 2 - Central	180	188	199	357	924
Region 3 - Northeast	776	981	887	1,640	4,284
Region 4 - Metro	311	472	440	645	1,868
Region 5 - Southeast	335	519	632	971	2,457
Region 6 - Boston	405	463	283	683	1,834
<b>Total:</b>	<b>2,308</b>	<b>3,104</b>	<b>2,929</b>	<b>5,258</b>	<b>13,599</b>

Source:

- Waitlist information based on active children as of 2/5/2021