

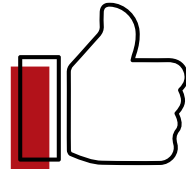
Commonwealth of Massachusetts Department of Early Education and Care

*Contract Provider Fiscal Support Session
February 28, 2025*



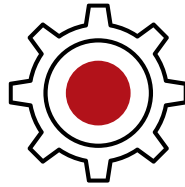
Welcome!

While waiting for others to join, check your Zoom settings and drop your full name, role and organization in the chat.



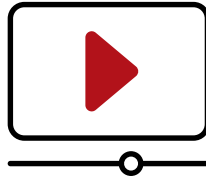
Find "Raise Hand"

- In meeting controls, click "Reactions"
- Click raise hand to ask a question or answer a prompt



Update Your Name

- In meeting controls, click "Participants"
- Hover over your name, click "..."
- Click "rename" to update to your First Name & Last Name



Technical Trouble?

- Send a message to the EEC Host: Elyse Tibbetts



Housekeeping



Please feel welcome to place questions in the chat

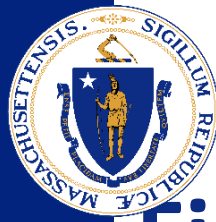
Questions will be gathered for a holistic FAQ document that will be distributed after all training is completed



When asked for feedback or comments by facilitators throughout the session, please “raise your hand” to be called on



Please keep your microphone on mute to reduce feedback until you are looking to make a statement or ask a question



Fiscal Support Session

Agenda

- Budget Amendments
 - Unit Rate Underutilization Amendment
 - Cost Reimbursement Amendments
- Cost Reimbursement Reminders
- FY25 Cost Reimbursement Reconciliation
- UFR Reporting

Underutilization: Unit Rate Contract Amendments



Underutilization: Unit Rate Contracts

Underutilization refers to funds that have been allocated and not been used or spent within a specific time period and;

- Applies only to unspent funds and does not impact the contracted seat award in the unit rate contract(s)
- Reduces the contract maximum obligation due to current spending and projected spending for a specified period of time.
- Has no effect on your cost reimbursement contracts.
- Occurs throughout the fiscal year through an amendment

The purpose of underutilization amendments is to move the funds that have been identified as unspent and/or projected to be unspent, to various accounts to help supplement other related child care accounts.



Underutilization Amendment: Example

Contract Provider award:
50 IE Seats

Unit Rate Contract
Maximum Obligation:

\$200,000



Contract Provider fills **25**
of the 50 IE Seats during
months of October
through November.

Maximum Obligation
Spending on Unit Rate
Contract:

\$100,000



Under utilized amount:
\$100,000

(Contract is amended
down to \$100,000; seat
award remains at 50.)

Note: If the contract provider fills all 50 awarded IE seat before the end of the fiscal year, EEC will reimburse for all 50 seats.

Cost Reimbursement Amendments



Budget Amendments

Providers may request amendments to their Income Eligible and Priority Populations cost reimbursement contracts for the following reasons:

Increased costs for support services due to utilization of the flex pool for Priority Population (DCF)

Reduction in the administrative cost reimbursement contract for Family Child Care Systems

Reduction in the cost reimbursement contract for support services.



Budget Amendment Process

Notification to amend contracts was sent on **February 24, 2025.**

Amendment request is due by **March 10, 2025**

Upon approval, amendment paperwork is due by March 17, 2025.

Amendment adjustments will be reflected in Contract Provider's April 2025 advance payment.



Budget Amendments

Amendments between budget lines

- Amendments within budget lines that are less than 10% of the total budget line do not have to be submitted to EEC for approval and must be recorded internally.
- Amendments within budget lines that are greater than 10% of the total budget must be submitted to EEC Procurement and your Regional Family Access Specialist for approval.
- Providers not requesting an amendment can expect their fourth and final advanced payment to be processed as scheduled in April for services starting April 1, 2025, through May 31, 2025.

Cost Reimbursement



Cost Reimbursement Reminders

- EEC issued Advanced Payments for the months of October 2024 through February 2025.
 - The Bi-monthly payments reflect the 9-month signed and approved cost reimbursement contracts and budgets beginning October 1, 2024.
 - The method of advance payments will end on June 30, 2025.

Payment timeframe	Service Months
October 2024	October and November 2024
December 2024	December 2024 and January 2025
February 2025	February and March 2025
April 2025	April and May 2025

- **Payment for June services will not be advanced and will be based on the expenses incurred after reconciliation completed by the provider.**
- Providers will make a request for June 2025 services based on reconciliation of advance payments from October 2024 thru May 2025.



Cost Reimbursement Reminders

Budget and expenditure tracking must be done within organization's Financial Systems

Contract Providers can use VendorWeb to track payments and payment details.

Signed Request for Funds Forms (RFF), Approved Budgets, and Standard Contract Agreements must be kept on file for audit purposes.

Must have supportive documentation on file to confirm cost spent on the cost reimbursement administrative and support services contracts.

Funds can not be moved across contracts
(Example IE Admin Budget dollars to DCF Support Services dollars)

Tracking Advanced Payments

Request for Funds (RFF)

The RFF is the mechanism used to request payment for Administrative and Support Services Cost Reimbursement Contracts.

For FY25, contracted providers signed a one-time RFF at contract initiation for advanced payments which:

- Authorized the advanced payments
- Provided the bi/monthly total expected payments for each program type

Signed RFFs must be kept on file for audit purposes.

MASSACHUSETTS DEPARTMENT OF EARLY EDUCATION AND CARE FCC ADMINISTRATIVE CONTRACT ADVANCE PAYMENT BEGINNING OCTOBER 2024 THRU MAY 2025	
A. Payment for this contract will be advanced by EEC bi-monthly (every two months) beginning October 2024.	
B. Please complete and sign sections E, F, H, and I. The amount of your bi-monthly will be based on the total award of your contract.	
C. <u>Please return this signed form with your contract documents.</u>	
E. Legal Name: _____ (Legal Name of Agency noted on the W-9 form)	
F. Legal Address: _____ (Street, City/Town/Zip)	
G. Name of Contract and Bi/Monthly Amount FCC Administrative Contract Enter Program Type (IE, DCF, PU24, HOME): _____ Enter Bi/Monthly Amount: _____	
H. Name of Person Completing Form (print clearly) Name: _____ Telephone Number: _____ E-Mail Address: _____	
I. Authorized Signatory: By signing you are allowing EEC to advance payments for this contract beginning October 2024 thru May 2025 with final payment for June services upon a full reconciliation of advanced funds. Payment for June services will be based on incurred expenses. Signature: _____ Please Print Name: _____ Date: _____ Please Print Title: _____	
J. Advance Payment Schedule: 1st payment processed in October for services: October 2024 thru November 2024 2nd payment processed in December for services: December 2024 thru January 2025 3rd payment processed in February for services: February 2025 thru March 2025 4th payment (and final advanced payment by EEC) processed in April for services: April 2025 thru May 2025 Final request for June 2025 services will be based on reconciliation of advance payments from October 2024 thru May 2025. Payment for June services will not be advanced and will be based on incurred expenses after reconciliation completed by provider.	



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[MassHealth Providers](#)
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VendorWeb

New to VendorWeb? Please see the "[How to Use VendorWeb](#)" job aid for a description of system features and instructions.

February 11: Paper Forms 1099 were mailed to vendors from the Commonwealth of Massachusetts to the address on file on January 30. Digital versions are not available on VendorWeb at this time. We apologize for the delay and continue to work to make them available. Please check back here for updates in the coming days.

Welcome to the VendorWeb site: Using this web site, vendors to the Commonwealth of Massachusetts can easily and quickly access their payment information - view scheduled payments, view payment history, and read news and updates of interest to vendors.

Vendor Login

To log in, enter your 12-digits alpha/numeric Vendor Code and last 4-digits Taxpayer Identification Number (TIN), then click "Login".

Vendor Code:

Last 4-digits TIN:

Login



VendorWeb

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Welcome to VendorWeb

ORGANIZATION NAME

VendorWeb is the application through which vendors may view their payment transactions with the Commonwealth of Massachusetts. By accessing [Scheduled Payments](#) (information on payments that will be made) or [Payment History](#) (information on payments that have been made), in the left column of this page, you can reconcile your accounts and even download this information at your own convenience, 24 x 7. Please click on one of these links to proceed in VendorWeb.

Payees can sign up through the Department they do business with.

IMPORTANT: This is a secure site - only you can access your own information. For your security, the system will require you to log in again after 15 minutes of inactivity.





Select the Department(s) to search - To select multiple departments, hold down the "Ctrl," "Shift," or "Command" key and click on the departments you wish to view.

Select the Department(s) to search



EAS - EASTERN DISTRICT ATTORNEY

EDU - EXECUTIVE OFFICE OF EDUCATION

EEC - DEPARTMENT OF EARLY EDUCATION & CARE

EED - EXECUTIVE OFFICE OF ECONOMIC DEVELOPMENT

EHS - EXECUTIVE OFFICE OF HEALTH and HUMAN SERVICES

ELD - DEPARTMENT OF ELDER AFFAIRS

ELW - EXECUTIVE OFFICE OF LABOR and WORKFORCE DEVELOPMENT

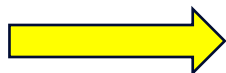
ENE - DEPARTMENT OF ENERGY RESOURCES

ENV - EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS

EOL - Executive Office of Labor and Workforce Development

EPS - EXECUTIVE OFFICE OF PUBLIC SAFETY & HOMELAND SECURITY

Choose A Date Range



Current Fiscal Year ▾

OR Enter a Custom Date Range mm/dd/yyyy (no earlier than 01/01/2023)

From: To:

How Do you Want to Show the Results

Group By Payment ▾

Would you like to download search result to your computer?

No: ☒ Yes: ☐

Search **Reset**



Payment Number: 050A5001727

Payment Date: 2/20/2025

Department	Payment Ref. #	Contract Number	Line Amount	Check Amount
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPDCCFCBCPY3	2025SUPPORTIVEFLEXPO	\$8,746.65	\$8,746.65
DCF ADMIN FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPDCCFFCCPY3	2025SUPPORTIVEFLEXPO	\$201,019.50	\$201,019.50
Check Description: DCF FCC ADMIN FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPDCCFSUPPY3	2025SUPPORTIVEFLEXPO	\$361,560.00	\$361,560.00
Check Description: DCF SUPPORTIVE ADD-ON FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPICECBCPY3	2025ADMINCOMEFLEIEPO	\$38,389.24	\$38,389.24
Check Description: IE ADMIN FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPICEFCCPY3	2025ADMINCOMEFLEIEPO	\$76,021.92	\$76,021.92
Check Description: IE FCC ADMIN FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPPPOPCBCPY3	2025ADMINCOMEFLEIEPO	\$3,748.57	\$3,748.57
Check Description: PRIORITY POP ADMIN FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
EEC - DEPARTMENT OF EARLY EDUCATION & CARE	25VALLEYOPPPPOPSUPPY3	2025ADMINCOMEFLEIEPO	\$83,840.00	\$83,840.00
Check Description: PRIORITY POP SUPPORTIVE ADD-ON FEBRUARY 2025 thru MARCH 2025 Pay 3				
Penalty Interest Amount:			-	
Total Amount			\$773,325.88	\$773,325.88

Payment Number: 23AA4012656

Cost Reimbursement Reconciliation



FY25 Cost Reimbursement Reconciliation (Part 1)

- Reconciliation is an ongoing process.
 - Organizations must be managing their budgets and expenditures through their own financial management systems.
 - Reconciliation is based on how you expended funds based on the approved budget not based on enrollment.
 - All applicable accounting rules must be applied.
- Beginning March 2025, Contract Providers can request for a Payment report from EEC to support in their reconciliation process.
 - These reports will include all payments from EEC such as:
 - Child Care services
 - Transportation
 - Cost Reimbursement
 - To request this report:
 - Authorized Signatory can send an email to EECAuditIP@mass.gov.
 - **Subject Line:** Contract Provider Payment Report~ *Organization's Legal Name*
 - **Body of email:** Request for FY25 Contract Provider Payment report for 10/1/2024 to 2/28/2025.

*Please limit to one request
per organization for
this time period.*



Example of Payment Report from EEC

FY	Serv To	Legal Name	Contract Doc ID	Payment Doc ID	Amount Paid	Services	EFT Issue Dat	EFT No.
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	100025A&SCCSYSTEMO20IE	100025A&SCCSYSTEMJAN25	\$ 380,164.34	CHILD CARE SERVICES	24-Feb-25	052A5058412
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	130025A&SCCSYSTEMO10HL	130025A&SCCSYSTEMJAN25	\$ 37,256.21	CHILD CARE SERVICES	24-Feb-25	052A5058412
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	110025A&SCCSYSTEMO14SP	110025A&SCCSYSTEMJAN25	\$ 356,588.25	CHILD CARE SERVICES	24-Feb-25	052A5058412
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025SUPPORTIVEFLEXPO	25A&SCCSYSTEMDCFCBCPY2	\$ 8,746.65	DCF ADMIN	18-Dec-24	352A4013234
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025SUPPORTIVEFLEXPO	25A&SCCSYSTEMDCFFCCPY2	\$ 201,019.50	DCF FCC ADMIN	18-Dec-24	352A4013234
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025SUPPORTIVEFLEXPO	25A&SCCSYSTEMDCFSUPPY2	\$ 361,560.00	DCF SUPPORTIVE ADD-ON	18-Dec-24	352A4013234
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	25OCTOBERPRIORITYFLX	110025A&SCCSYSTEMJANFX	\$ 261.65	DTA/Supportive Child Care Services	24-Feb-25	052A5058391
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025ADMINCOMEFLEIEPO	25A&SCCSYSTEMICECBCPY2	\$ 38,389.24	IE ADMIN	24-Dec-24	356A4002628
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025ADMINCOMEFLEIEPO	25A&SCCSYSTEMICEFCCPY2	\$ 76,021.92	IE FCC ADMIN	24-Dec-24	356A4002628
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	25OCTOBERINCOMEFLEX0	100025A&SCCSYSTEMJANFX	\$ 343.38	IE-Child Care Services	24-Feb-25	052A5058391
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	25OCTOBERINCOMEFLEX0	100025A&SCCSYSTEMJANFX	\$ 1,267.16	PFML	24-Feb-25	052A5058391
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	25OCTOBERPRIORITYFLX	110025A&SCCSYSTEMJANFX	\$ 2,577.04	PFML	24-Feb-25	052A5058391
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025ADMINCOMEFLEIEPO	25A&SCCSYSTEMPOPCBCPY2	\$ 3,748.57	PRIORITY POP ADMIN	24-Dec-24	356A4002628
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025ADMINCOMEFLEIEPO	25A&SCCSYSTEMPOPFCCPY2	\$ 36,549.00	PRIORITY POP FCC ADMIN	24-Dec-24	356A4002628
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	2025ADMINCOMEFLEIEPO	25A&SCCSYSTEMPOPSUPPY2	\$ 83,840.00	PRIORITY POP SUPPORTIVE ADD-ON	24-Dec-24	356A4002628
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	130025A&SCCSYSTEMO10HL	130025A&SCCSYSTEMJAN25	\$ 13,434.00	Transportation	24-Feb-25	052A5058412
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	110025A&SCCSYSTEMO14SP	110025A&SCCSYSTEMJAN25	\$ 70,794.00	Transportation	24-Feb-25	052A5058412
2025	31-Jan-25	ALICIA & SANDY'S CHILD CARE SYSTEM	25OCTOBERINCOMEFLEX0	100025A&SCCSYSTEMJANFX	\$ 6,210.00	Transportation	24-Feb-25	052A5058391



FY25 Cost Reimbursement Reconciliation - Next steps

- April 2025

- EEC will host another Fiscal Support Session to walk through the final reconciliation process.
- Contract Providers can request their second payment report for the time period of 10/1/2024-4/30/2025.
- EEC will be providing a worksheet that will require organizations to report on what has been expended for each of the contracts. This worksheet will then calculate any recovery of funds (if applicable).
 - The final reconciliation process **will not** include the collection of documentation that supports expenses (i.e receipts)
 - Recovery of funds is based on how you expended the funds, not based on enrollment.
- A separate RFF will be provided for June 2025 services and the June payment will be based on the reconciliation of advanced payments to incurred costs from October 2024 through May 2025.



FY26 Cost Reimbursement

- Renewal Contracts will begin on July 1, 2025 through June 30, 2026.
- Beginning in FY26, Program will be moving towards cost reimbursement method and will no longer advance funds, therefore, reimbursement will take place for funds expended.
- EEC will be implementing a systematic method of managing the cost reimbursement contracts beginning in FY26.
- Programs will have access to the resources that will assist with managing multiple cost reimbursement contracts through an online application platform.
 - Programs will be trained on how to manage their budgets and submit for cost reimbursement through this system.

Uniform Financial Report (UFR)



UFR Reporting

- Organizations should be allocated expenses towards the advance payments. These expenses are based on the approved budgets.
- External auditors/CPAs can refer to sections within the *UFR Auditors Compliance Supplement* on how to audit Cost Reimbursement contracts.
- Organizations who are required to complete a Uniform Financial Report (UFR), must have separate Schedule B's completed for Unit Rate and cost reimbursements contracts.
- Questions on UFR Reporting can be sent to EECAuditIP@mass.gov.



UFR Reporting

FY24 UFR AUDIT AND PREPARATION MANUAL, Special Instructions for EEC Contract Providers require,
“Each provider/System that has a responsibility to file a UFR must complete a Schedule B for each of its programs.”

The FY25 UFR Audit and Preparation Manual will be updated to reflect the following reporting structure.

■ **Reporting by Program structure for Unit Rate Contracts (7/1/2024-9/30/2024):**

- Center-based Programs (include voucher funds, transportation, Supportive Add on)
- Family Childcare Systems (including voucher funds, transportation, FCC Admin)

■ **Reporting by Program structure for Unit Rate Contracts (10/1/2024-6/30/2024)**

- Center-based Programs (include voucher funds, transportation,)
- Family Childcare Systems (include voucher funds, transportation,)

■ **Reporting by Program structure for Cost Reimbursement Contracts (10/1/2024-6/30/2024)**

- Center-based Programs (Can include support services and administrative cost reimbursement contracts; no voucher or other funding)
- Family Child Care System Programs (Can include support services and administrative cost reimbursement contracts; no voucher or other funding)

Questions?