Slide 1

**FY17 Budget Request***November 10, 2015*

**Department of Early Education and Care Board Presentation**

Slide 2

|  |  |  |
| --- | --- | --- |
| Line Item | Descriptor |  FY16 Total Available  |
| 3000-1000 | Administration\* |  $ 12,542,429  |
| 3000-1050 | EEC Assessment |  $ 300,000  |
| 3000-2000 | Access Management |  $ 6,675,311  |
| 3000-3060 | Supportive-DTA Related Care |  $ 219,907,383  |
| 3000-4040 | Waitlist Remediation |  $ 12,000,000  |
| 3000-4060 | Income Eligible Child Care\*\* |  $ 252,944,993  |
| 3000-5000 | Grants to Head Start |  $ 9,100,000  |
| 3000-5075 | UPK |  $ 7,400,000  |
| 3000-6025 | Commonwealth Preschool Partnership Initiative  |  $ 500,000  |
| 3000-6075 | Mental Health |  $ 750,000  |
| 3000-7040 | EEC Contingency Contract Retained Revenue |  $ 200,000  |
| 3000-7050 | Services for Infants and Parents |  $ 21,314,890  |
| 3000-7070 | Reach Out and Read |  $ 1,000,000  |
| 1599-0042 | CBC Reimbursement Rate Reserve |  $ 5,000,000  |
|  |  |  **$ 549,635,006**  |

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| \*Includes adjustments made related to ERIP |
| \*\*Does not include approved $3.4M PAC |

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Image of a line graph depicting EEC's budget totals by fiscal year (total amounts prior to FY16 are adjusted for PACs)

* FY07 - 495.97 M
* FY08 - 537.23 M
* FY09 - 553.43 M
* FY10 - 505.35 M
* FY11 - 508.59 M
* FY12 - 495.18 M
* FY13 - 479.14 M
* FY14 - 503.25 M
* FY15 - 537.15 M
* FY16 - 549.64 M

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**FY17 Budget Needs**

* + Overall, the FY17 budget will need to be increased by $36,210,130 to support general maintenance, meet new federal requirements on early education and care, and to make targeted investments.
	+ The department’s FY17 budget request is driven by two non discretionary forces: 1) General maintenance needs and 2) Mandated CCDBG Requirements.
	+ In addition to the non-discretionary increases dictated by maintenance needs and CCDBG mandates, EEC also requests targeted funds to help improve the quality of education and care.

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**FY17 Needs - Maintenance**

* To maintain the same level of services as provided in FY16, the overall EEC budget will require $560,307,246 in funds. This represents an increase of $10,672,240 compared to the amount available in FY16 (not including the $3.4M PAC that is considered one-time funding).
* The calculation of FY17 maintenance need considers the personnel (CBA increase) and lease demands, as well as the annualization of rate increases for Family Child Care and Center-based care, but also considers the loss of waitlist remediation.
* The caseload accounts, Admin (3000-1000), and Access Management (3000-2000) are the only appropriations that require an increase over the FY16 total amount available to keep pace with maintenance needs.
* All other appropriations will require level funding, and in some cases no funding at all because of the one-time nature of the line item.

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**FY17 Maintenance: 3000-1000 Admin**

* In FY16, this appropriation has $12,527,482 in total available funds to support roughly 146 FTEs and other basic FY16 administrative needs. After a preliminary analysis of FY17 maintenance needs EEC will require an additional $381K above the FY16 total available amount. Below is a breakdown of the admin needs:
	+ Personnel: To cover the expected cost of the FY17 CBA, steps, and related fringe costs requires **$210K** in additional funds.
	+ Office Lease: There are two leases set to expire in FY17: Central and Region 6 (Quincy). The current Central Office lease rate is well below the area rates and is expected to increase significantly. We can assume a 5% increase in the Region 6 office lease. To account for the inevitable increases, EEC is projecting that an additional **$156K** will be needed in FY17.
	+ Miscellaneous: The remaining **$16K** in additional funds needed for FY17 maintenance is related to the annualization of the new FY16 storage/shredding of EEC records. The Commonwealth’s storage facility will close on 1/1/2016. EEC will now be responsible to procure and pay for record storage.
* The FY17 Maintenance need of $12,923,946 is a $381K (+3.04%) increase above the amount available in FY16. This amount is merely the baseline necessary to maintain FY16 efforts**.**

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**FY17 Maintenance: 3000-2000 CCRR**

* In addition to the contract support received through this appropriation, the seven (7) CCRRs will also receive an additional $1M through the Waitlist Remediation program to help provide additional staff and resources.
* **After years of low funding and additional responsibilities, EEC is witnessing the limits of the CCRRs’ ability to complete their mission to help families and providers.**
	+ Best practice caseload per worker is 250 accounts whereas the CCRRs are currently averaging 795 accounts per worker with one CCRR at over 1100.
	+ The wait time for appointments at some CCRRs can be 8-10 days even though all CCRRs have increased their hours.
	+ CCRRs have continued to see an increase in provider voucher agreements.
	+ Some CCRRs report a 50% turnover in staff in the past 18 months from stress and low pay.
* **EEC has recently implemented procedures that will continue to increase workload:**
	+ Manual tracking of Earned Sick Time in order for EEC to remain in compliance with the law is time consuming.
	+ A single subsidy administrator must now be identified for CCFA. In most instances, the CCRR will be the administrator which will increase their number of assessments.
	+ Controls in CCFA require 15 to 30 minutes to be added to all family appointments.

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**FY17 Maintenance: Caseload**

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| --- | --- | --- | --- | --- |
| **Account** | **FY16 GAA** | **FY16 Current Forecast** | **FY17 Maintenance** |  **Difference Maintenance to FY16 Forecast**  |
| Supportive-DTA Related Care |  $ 219,907,383  |  $ 219,907,383  |  $226,751,821  |  $ 6,844,438  |
| Waitlist Remediation |  $ 12,000,000  |  $ 6,569,096  |  $ -  |  $ (6,569,096) |
| Income Eligible\* |  $ 252,944,993  |  $ 255,665,646  |  $272,691,278  |  $ 17,025,632  |
| CBC Rate Reserve |  $ 5,000,000  |  $ 5,000,000  |  $ -  |  $ (5,000,000) |

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| \* Does not include FY15 PAC |

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**FY17 Maintenance: Supportive-DTA Related**

**Supportive**

* + Supportive contracts are estimated using the a base caseload of 7,859 (estimated average for April-June 2016) with historic change applied. Average FY17 contract caseload is estimated at 8,167 with an overall estimated increase from 8,025 in June 2016 to 8,626 in June 2017.
	+ Supportive vouchers are flatlined at 53 (final June 2015 total) for all of FY17.
	+ FY17 Maintenance estimate includes $1.9M for all rate increases given during FY16 (3% SEIU and CBC Rate Reserve). We will be entering into negotiations with the SEIU in January; this may impact the FY17 budget.

**DTA Related**

* + DTA vouchers are estimated using the a base caseload of 14,179 (estimated average of April-June 2016) with historic change applied. Average FY17 caseload is estimated at 14,187 with an overall estimated decrease from 14,148 in June 2016 to an estimated total of 14,119 in June 2017.
	+ FY17 Maintenance estimate includes $2.3 for all rate increases given during FY16 (3% SEIU and CBC Rate Reserve). We will be entering into negotiations with the SEIU in January; this may impact the FY17 budget.
	+ This projected decrease in DTA caseload offsets the increased need in Supportive.
	+ DTA Commissioner McCue has indicated to EEC that DTA is projecting an increase in TAFDC caseload which could increase the number of children referred for child care. To account for this potential increase, our current FY17 maintenance estimate includes an additional 500 children to offset the decrease projected using the historic caseload change.

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**FY17 Maintenance: Income Eligible**

* Vouchers are based on the projected June 2016 caseload of 22,056: 20,437 from Income Eligible plus 1,619 vouchers that will be issued through the Waitlist Remediation account in FY16.
* Voucher access is assumed to be open the entire fiscal year to maintain a voucher caseload of 22,056.
* Contract expenditure projections for FY17 are estimated at 90.95% of maximum obligation contact value, consistent with our current projections for FY16 and in alignment with the percentage of the maximum obligation contract value that was billed in FY15.
* The current IE contract expires on August 31, 2016. However, EEC will be extending the contract for one year in order to allow us to incorporate the CCDF state plan changes into our next contract bid.
* FY17 Maintenance estimate includes $4.2M for all rate increases given during FY16 (3% SEIU and CBC Rate Reserve). We will be entering into negotiations with the SEIU in January; this may impact the FY17 budget.
* Expenditures tied to the $3.4M PAC received in FY16 are assumed to be one time and do not need annualization.

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**FY17 Maintenance Budget**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Line Item | Descriptor |  FY16 Total Available  |  FY17 Maintenance Cost  | FY17 Maintenance |
| 3000-1000 | Administration\* |  $ 12,542,429  |  $ 381,517  |  $ 12,923,946  |
| 3000-1050 | EEC Assessment |  $ 300,000  |  $ (300,000) |  $ -  |
| 3000-2000 | Access Management |  $ 6,675,311  |  $ 1,000,000  |  $ 7,675,311  |
| 3000-3060 | Supportive-DTA Related |  $ 219,907,383  |  $ 6,844,438  |  $ 226,751,821  |
| 3000-4040 | Waitlist Remediation |  $ 12,000,000  |  $ (12,000,000) |  $ -  |
| 3000-4060 | Income Eligible Child Care\*\* |  $ 252,944,993  |  $ 19,746,285  |  $ 272,691,278  |
| 3000-5000 | Grants to Head Start |  $ 9,100,000  |  $ -  |  $ 9,100,000  |
| 3000-5075 | UPK |  $ 7,400,000  |  $ -  |  $ 7,400,000  |
| 3000-6025 | Commonwealth Preschool Partnership Initiative  |  $ 500,000  |  $ -  |  $ 500,000  |
| 3000-6075 | Mental Health |  $ 750,000  |  $ -  |  $ 750,000  |
| 3000-7040 | EEC Contingency Contract Retained Revenue |  $ 200,000  |  $ -  |  $ 200,000  |
| 3000-7050 | Services for Infants and Parents |  $ 21,314,890  |  $ -  |  $ 21,314,890  |
| 3000-7070 | Reach Out and Read |  $ 1,000,000  |  $ -  |  $ 1,000,000  |
| 1599-0042 | CBC Reimbursement Rate Reserve |  $ 5,000,000  |  $ (5,000,000) |  $ -  |
|  |  |  **$ 549,635,006**  |  **$ 10,672,240**  |  **$ 560,307,246**  |

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| \*Includes adjustments made related to ERIP |
| \*\*Does not include pending $3.4M PAC |

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**CCDBG Reauthorization Overview**

* The Child Care Development Block Grant (CCDBG) is a $5.3 billion block grant program that provides funding to States, Territories, and Tribes to provide access to child care services for low-income families and improve the quality of child care.
	+ For FY15, MA expended over $481M through CCDBG (or 92% of EEC’s total state budget), including Maintenance of Effort, State Match, and TANF related expenditures.
* President Obama signed the CCDBG Act of 2014 (P.L. 113-186) into law on November 19, 2014.
	+ Represents the 1st time Congress has reauthorized CCDBG since 1996.
* The CCDBG Act of 2014 is focused on better balancing its **dual purposes:**
	+ to promote economic self-sufficiency for low-income families
	+ to support healthy development and school readiness needs of children.
* The CCDBG Act of 2014 renews authority for CCDBG through FY 2020 and represents an historic re-envisioning of the program.

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**FY17 CCDBG Costs**

* The reauthorization of CCDBG includes additional requirements for states which present significant financial challenges for Massachusetts. The majors areas of focus in SFY17 to remain in compliance are:
	+ - 1. Background Record Checks
			2. Licensing and Monitoring
			3. Access (Rates, Non Standard Hours, and Improving Access to Underserved Populations)
			4. Professional Development for Educators
			5. Dissemination of Child Care Information - Certain IT Related Requirements.
* The affected line items in SFY17 will be the admin account (3000-1000), Quality account (3000-7050), and the caseload accounts.
* **Failure to comply with the new CCDBG requirements may result in a 5% reduction in the MA CCDBG award, which is nearly $5.25M.**

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**FY17 CCDBG Requirements 3000-1000 Admin**

* Background Record Checks – Compliance
	+ **Current**: EEC employs twelve (12) FTEs to ensure compliance with the mandates of Chapter 459 of the Acts of 2012 (as amended by Chapter 77 of the Acts of 2013). This unit processes over 120K applications per year. For each applicant EEC must conduct four separate checks: CORI, DCF, SORI, and FBI Fingerprinting checks. EEC has until **September 2016** to reach compliance with the rigorous requirements mandated by Chapter 459.
	+ **Future:** In addition to the CORI, DCF, SORI, and FBI Fingerprint checks already implemented by the department, CCDBG mandates that by **9/30/2017** (SFY18) states must also incorporate the following into background checks. (States may request a one year extension of this deadline).
		- * Review of the State criminal and sex offender registry, including all other states in which the applicant resided in the past 5 years. This would require labor intensive work contacting each state registry office for each state in which the applicant resided.
			* Review of the State child abuse and neglect registry, including all other states in which the applicant resided in the past 5 years;
			* Review of the National Crime Information Center (operated by the FBI) and National Sex Offender Registry (operated by DOJ).
		- To comply with the requirements EEC estimates a need to increase the BRC unit by 12 FTEs. This will increase the FY17 admin budget by at least $686,083. This does not include the IT support required to implement an interstate background record check.
		- The deadline is SFY18, but in the first quarter of SFY18. If we wait until after SFY17 to meet this requirement, we would need to get Spending Plan Approval for positions, post the positions, conduct interviews, hire, and train within a three (3) month period.

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**FY17 CCDBG Requirements 3000-1000 Admin**

* + **Current**: EEC employs 66 licensors (licensors, investigators, and licensing supervisors) to monitor the entire Commonwealth. By the end of FY16, EEC expects that total to increase to 81. The caseload ratios are concerning especially with a net loss of three position due to ERIP. Approximate caseload ratio for family child care licensors is 311:1 and 112:1 for group child care. The nationally recognized recommended caseload ratios are 75:1 for family child care and 50:1 for group care. Below is a chart showing the number of licensing positions EEC has had over the past five years:

Slide includes an image of a line graph that depicts historical licensor counts:

7/11 - 77.94

6/12 - 73.14

6/13 - 79.14

6/14 - 84.14

6/15 - 80.2

7/15 - 66.2

FY16 projected - 81.2

* + As part of the FY16 Spending Plan, EEC has started to hire the 15 licensing positions. Despite these additions, EEC’s licensor staff is still below the level reached at the end of SFY14.

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**FY17 CCDBG Requirements 3000-1000 Admin**

* **Licensing and Monitoring**
	+ Future: The CCDBG has placed a great emphasis on health and safety requirements. For licensed providers EEC must have one (1) pre-licensure inspection for health, safety, and fire standards; and conduct an annual, unannounced inspection. The differential licensing visits will satisfy these requirements; however, CCDBG also requires states to conduct annual inspections on license-exempt providers (public/private school and summer camps are examples). Below is a potential cost for each of the three elements:
		1. Licensed Providers: Pre-licensure inspection for health, safety and fire standards – No additional cost projected at this time, but costs may become apparent as CCDBG requirements are fully addressed.
		2. Licensed Providers: Annual, unannounced inspections – No additional cost projected at this time, but cost may become apparent as CCDBG requirements are fully addressed.
		3. License Exempt: Annual Inspections: Represents an entirely new responsibility for the agency and would require at least one (1) additional licensor in each of the six regions. Assuming average salary projections used in FY16 Spending Plan development of $60K per licensor, EEC projects an annual cost of $377,062 (payroll and travel) to bring the agency in compliance with this requirement.
	+ CCDBG requires states to be compliant by 11/19/2016.
	+ Overall annual cost of the additional licensors would be $377,062 (includes personnel and related travel).

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**FY17 CCDBG Requirements Caseload**

* **Access – Rates and Quality**
	+ CCDF establishes a benchmark of the 75th percentile of market rates to be regarded as providing equal access. Alternately, states can demonstrate other ways that the state can provide equal access. In past state plans, EEC proved equal access by showing that a high percentage of licensed providers accepted subsidies across all program types in all areas of the Commonwealth. It is important to note that most states do not meet the 75th percentile benchmark.
	+ The new state plan must detail how EEC will be in compliance with equal access guidelines by September 30, 2016. Since the Office of Child Care has observed that EEC has low rates, EEC will likely not be able to demonstrate compliance without also increasing rates.
	+ EEC seeks to do increase rates by coupling quality with access.
	+ Children benefit when served by quality programs.

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**FY17 CCDBG Requirements Caseload**

* **Access – Rates and Quality**
	+ While it is important to increase our subsidy rates, any funding for rate increases should also connect EEC rates to quality. Ideas on how to achieve this include, for example:
		1. Require in the new Income Eligible, Supportive, Homeless, and Teen contract RFRs that all providers achieve certain high quality criteria and/or show a plan for advancement within a prescribed period of time in order to be awarded contract slots.
		2. Phase in a tiered rate structure aligned with MA QRIS.
	+ The QRIS program has a number of goals for advancement of quality (some of which may be achieved with the $4M quality earmark in the 3000-7050 line item) that should help frame this discussion. Those goals include:
		1. Support educators, providers, programs, and systems across the Commonwealth to engage in a process of continuous quality improvement.
		2. Collaborate with local, state and federal partners, and align early childhood initiatives.
		3. Enhance outcomes for all children in Massachusetts, especially populations most at risk.
		4. Educate and engage families in an easy to understand rating system that enhances participation in high quality programs.
		5. Provide policymakers and legislators with information and data that will allow allocation of limited resources most effectively.

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**FY17 CCDBG Requirements Caseload**

* **Access – Rates: Where Are We Now?**
	+ According to the 2015 Market Rate Study, all EEC rates are well below the 75th percentile target but it varied based on program type and region:
		1. For FCC Providers, EEC rates are below the 50th percentile in all regions and age groups and below the 25th percentile in the majority of ages and regions. For FCC Providers, it would take approximately a 20% rate increase to meet the 50th percentile and a 41% rate increase to meet the 75th percentile.
		2. For Center Based Providers, EEC rates meet the 50th percentile for a third of age groups and regions but rates fall below the 75th percentile for all ages and regions. For Center Based Providers, it would take approximately a 5.5% rate increase to meet the 50th percentile and a 20% rate increase to meet the 75th percentile.
	+ Since EEC can demonstrate some portion of compliance outside of rates, we do not believe that immediately achieving the 75th percentile will be required at this time but we will likely be required to submit a plan to achieve this target.
	+ The estimated cost in our current structure to meet the 50th Percentile is $48,979,491 across all programs, age groups, and regions. A migration across two fiscal years would put FY17 at an estimate of $24,474,745.
	+ This is likely NOT the actual cost when we assess quality reform and link it to rates.

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**FY17 CCDBG Requirements Caseload**

* **Access - Non-Traditional Hours**
	+ The CCDF plan requires states to develop and implement strategies to increase supply and quality of services for children who receive care during non-traditional hours. This does not have a specific implementation date which means that this falls under the requirement to be in compliance with all aspects of the reauthorization by September 30, 2016 unless otherwise specified.
	+ Examples of efforts to meet this CCDBG requirement include alternative reimbursement rates, contracts or grants to providers, offering vouchers to families, and any other method devised by the States. Massachusetts already allows families to use vouchers to attend programs that operate during nontraditional hours but programs are limited. Past efforts to use contracts for this service were unsuccessful.
	+ In FY14, as required by the SEIU collective bargaining agreement, EEC commissioned a study to assess the availability of non-traditional hours in the Commonwealth, parent demand for non-traditional hours, and best practices and policies in providing for and funding non-traditional hours care. For the purposes of this study, non-traditional hours were defined as before 7:00 AM and after 5:00 PM Monday through Friday and during any hours on Saturday or Sunday.
	+ Only a small percentage of parents responded to the survey but among those who did, 37% reported that they had a need for non-traditional hours care. With only a small sample of parents, EEC would not assume that 37% of all children would need non-traditional hours care but this does show that there is a need for this type of care.
	+ According to the provider survey, 45% of Family Child Care and 38% of Center Based Programs expressed willingness to provide non-traditional hours care. However, about 80% of all providers responded that in order to provide non-traditional hours care, EEC rates would have to increase. A majority of providers stated that rates would have to increase by $4 or $5 more per day.
	+ EEC is just beginning to understand how we can meet these requirements and does not yet have a quantified need for non-traditional hours care.

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**FY17 CCDBG Requirements Caseload**

* **Access - Improving Access to Underserved Populations**
	+ CCDF requires states to give priority to children with special needs and families with very low incomes and to improve access for homeless children, children in underserved areas, and infants and toddlers.
	+ **Special Needs:** In FY14, EEC commissioned a review and assessment of the system in place for children with special needs. Even though EEC maintains a pool of funding for special needs, the assessment discovered that many providers did not know that this funding is available. At the same time, the assessment estimated that approximately 15% of children in EEC subsidy programs have or could have special needs. To give greater priority to special needs children, EEC proposes to increase the funding available for the special needs flex pool in the Income Eligible account.
	+ **Very low incomes:** EEC is meeting this requirement through a number of ways including open access for all DTA referred families and by allowing parents to enter the program at 50% SMI (or 85% SMI if special needs).
	+ **Homeless Children:** EEC is meeting this requirement in part through 693 dedicated homeless contract slots. However, with thousands of homeless families in the Commonwealth, there is a high need for additional subsidies. To improve access, EEC will both look at ways to maximize the current contract and to prioritize placement of homeless children using the Waitlist Remediation funding.
	+ **Underserved Areas:** EEC is meeting this requirement through the use of contracted slots in every region of the Commonwealth. EEC will address any deficiencies in care through the next Income Eligible bid, slated for procurement during FY17 for contracts beginning September 1, 2017.
	+ **Infants and Toddlers:** EEC is meeting this requirement in part through a higher rate for any infants and toddlers placed in QRIS Level 2 or above programs.

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**FY17 CCDBG Requirements 3000-7050 Infants and Parents / Quality**

* Professional Development for Educators
	+ Requires establishment of professional development and training requirements to improve knowledge and skills of all CCDBG providers and the entire child care workforce (includes both licensed and license-exempt).
	+ Professional development requirements should include:
		- Ongoing, annual training and a progression of professional development (which may include post-secondary education); and
		- Focus on social-emotional behavioral intervention models.
	+ Incorporate State’s Early Learning and Development Guidelines describing what children should know and be able to do.

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**FY17 CCDBG Requirements 3000-7050 Infants and Parents / Quality**

* The following offers work presently being done by EEC that we believe satisfied the CCDBG requirements:

 Educator and Provider Support Grant

* + The Educator and Provider Support grant provides funds for professional development opportunities and services that support early education and out of school time educators to gain knowledge and skills which they can apply to practice through completion of multiple opportunities.
	+ These professional development opportunities must be aligned with the MA Quality Rating and Improvement System and EEC Core Competencies.
	+ The core areas of the grant include: educator and provider pathways, coaching and mentoring in support of matriculation or competency development, and competency development.
	+ In FY16, EEC has awarded $3.3M in EPS funds to five vendors.

 Current FY16 Professional Development Projects

* + Funded through RTTT, EEC and ESE are working with a vendor to develop statewide professional development based on the recently approved PreK and Kindergarten Social and Emotional Learning and Approaches to Play and Learning Standards (SEL/APL Standards).
	+ Using state funds, EEC and DHE will update and align EEC's Categories of Study with the EEC Educator Competencies, the QRIS Requirements for PD, and the proposed Birth-Age 8 Credential.
	+ Funded through RTTT, EEC will develop a training course for TA providers on the TA guide and self-assessment tool "Guiding Change, Impacting Quality: A Guide to Technical Assistance in Settings Serving Infants & Toddlers, Preschoolers, and Out-of-School Time Programs and Their Families" for individuals who are experienced in providing TA, coaching, and mentoring in the mixed delivery system.

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**FY17 CCDBG Requirements: IT Reporting**

* CCDBG includes requirements that states make available certain information for parents and providers. To satisfy this requirement EEC will work with EOE to determine changes to the agency website necessary to ensure compliance. Below are requirements from CCDBG and the associated deadlines. The last two requirements fall in SFY18, but it would be best to be in compliance earlier. We believe that we are satisfying these requirements through the work we are currently doing with the vendor working on the LEAD Project.
	+ States must have a website describing licensing and monitoring requirements and processes for background checks, including offenses that prevent individuals from becoming providers.
		- **Compliance by September 30, 2016.**
	+ States must make available by electronic means provider-specific information showing results of monitoring and inspection reports of all licensed, approved, or funded programs.
		- **Compliance by November 19, 2017.**
	+ In addition, an annual report on the number of deaths, serious injuries, and instances of child abuse in all child care settings, including license-exempt must be completed and made available.
		- **Compliance by November 19, 2017.**

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**FY17 CCDBG Budget**

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| --- | --- | --- | --- |
|  |  |  | **FY17 Adjustments** |
| Line Item | Descriptor |  FY16 Total Available  | FY17 Preliminary Maintenance |  FY17 CCDBG Cost  |  FY17 Budget Proposal  |
| 3000-1000 | Administration\* |  $ 12,542,429  |  $ 381,517  |  $ 1,063,145  |  $ 13,987,091  |
| 3000-1050 | EEC Assessment |  $ 300,000  |  $ (300,000) |   |  $ -  |
| 3000-2000 | Access Management |  $ 6,675,311  |  $ 1,000,000  |   |  $ 7,675,311  |
| 3000-3060 | Supportive-DTA Related Care\*\* |  $ 219,907,383  |  $ 6,844,438  |  $ 11,138,535  |  $ 237,890,356  |
| 3000-4040 | Waitlist Remediation |  $ 12,000,000  |  $ (12,000,000) |   |  $ -  |
| 3000-4060 | Income Eligible Child Care\*\*\* |  $ 252,944,993  |  $ 19,746,285  |  $ 13,336,210  |  $ 286,027,488  |
| 3000-5000 | Grants to Head Start |  $ 9,100,000  |   |   |  $ 9,100,000  |
| 3000-5075 | UPK |  $ 7,400,000  |   |   |  $ 7,400,000  |
| 3000-6025 | Commonwealth Preschool Partnership Initiative  |  $ 500,000  |   |   |  $ 500,000  |
| 3000-6075 | Mental Health |  $ 750,000  |   |   |  $ 750,000  |
| 3000-7040 | EEC Contingency Contract Retained Revenue |  $ 200,000  |   |   |  $ 200,000  |
| 3000-7050 | Services for Infants and Parents |  $ 21,314,890  |   |   |  $ 21,314,890  |
| 3000-7070 | Reach Out and Read |  $ 1,000,000  |   |   |  $ 1,000,000  |
| 1599-0042 | CBC Reimbursement Rate Reserve |  $ 5,000,000  |  $ (5,000,000) |   |  $ -  |
|  |  |  **$ 549,635,006**  |  **$ 10,672,240**  |  **$ 25,537,890**  |  **$ 585,845,136**  |

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| --- |
| \*\*CCDBG Cost is the portion of the rate increase that would be needed in this account. Other portion is in IE. |
| \*\*\*FY16 does not include $3.4M PAC. CCDBG Cost includes $13M for rates. |
| \*Includes adjustments made related to ERIP |

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**FY17 Budget - Discretionary Targets**

In addition to the funding that may be required to meet CCDBG mandates, EEC would like to offer the following as investments worthy of priority in no particular order above the base maintenance funding level:

1. **Supportive-DTA Related Care:** Secure a Funding level adequate enough to fund all 2,100 children on DCF’s waitlist.
	1. Our base maintenance cost, due to the historic rate used, includes an increase of 600 children so funding would be needed only to cover the cost of the remaining 1,500 children plus administrative funds for the CCRRs to manage the additional voucher caseload that would come with serving all children on DCF’s waitlist.
	2. If fully funded to serve 1,500 children, the total estimated cost above maintenance is $15,005,210.
2. **Income Eligible:** Secure additional funding to place more children from the waitlist. Funding options include:

|  |  |
| --- | --- |
| **Number of Vouchers** | **Income Eligible Cost** |
| **1,000** | **$6,430,822**  |
| **3,000** | **$19,292,466**  |
| **5,000** | **$32,154,110**  |

1. **Transportation funding:** EEC has long advocated for an increase to the transportation reimbursement rate. However, given the unknown real cost and benefit of providing transportation, EEC recommends the formation of a working group to study this issue and make recommendations.

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**APPENDIX: EEC Waitlist**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Priority** | **9/29/14 Total** | **10/28/14 Total** | **11/21/14 Total** | **12/29/14 Total** | **1/29/14 Total** | **2/26/15 Total** | **4/1/15 Total** | **4/28/15 Total** | **5/28/15 Total** | **6/30/15 Total** | **7/31/15 Total** | **9/9/15 Total** | **10/28/15 Total** |
|  Child of Foster Care  | 110 | 104 | 95 | 109 | 115 | 117 | 132 | 123 | 131 | 141 | 128 | 133 | 150 |
|  Child of Homeless family  | 291 | 295 | 291 | 284 | 305 | 305 | 356 | 359 | 356 | 346 | 345 | 338 | 320 |
|  Child of Military Personnel  | 56 | 60 | 49 | 48 | 55 | 60 | 62 | 73 | 76 | 69 | 72 | 71 | 61 |
|  Child of Teen Parent  | 205 | 190 | 177 | 195 | 266 | 232 | 245 | 246 | 257 | 268 | 288 | 299 | 286 |
|  Child with Special Needs  | 1,357 | 1,182 | 1,031 | 934 | 1,100 | 1,081 | 1,158 | 1,203 | 1,281 | 1,248 | 1,274 | 1,233 | 1,205 |
|  Continuity of Care: Prior Year Summer Only  | 282 | 267 | 249 | 249 | 360 | 255 | 246 | 243 | 232 | 90 | 55 | 43 | 73 |
|  Continuity of Care: Aging Out  | 160 | 137 | 116 | 118 | 122 | 118 | 117 | 117 | 127 | 121 | 120 | 99 | 88 |
|  Continuity of Care: Approved Break in Service  | 260 | 225 | 210 | 184 | 206 | 194 | 192 | 182 | 210 | 226 | 252 | 227 | 186 |
|  Continuity of Care: ARRA  | 16 | 13 | 13 | 15 | 21 | 19 | 19 | 18 | 19 | 16 | 18 | 20 | 31 |
|  Continuity of Care: Geographic Relocation  | 91 | 93 | 101 | 96 | 93 | 97 | 101 | 100 | 101 | 97 | 91 | 77 | 61 |
|  Continuity of Care: Homeless Contract  | 20 | 22 | 23 | 25 | 25 | 21 | 24 | 21 | 23 | 29 | 30 | 22 | 27 |
|  Continuity of Care: Supportive Referral  | 149 | 143 | 149 | 138 | 167 | 160 | 162 | 161 | 161 | 147 | 196 | 209 | 192 |
|  Continuity of Care: Teen Parent Contract  | 9 | 11 | 11 | 9 | 9 | 7 | 8 | 7 | 8 | 12 | 19 | 10 | 12 |
|  General Priority  | 23,341 | 21,484 | 19,574 | 18,405 | 21,197 | 20,828 | 22,081 | 22,763 | 23,824 | 23,191 | 23,592 | 23,444 | 22,865 |
|  Grandparent/Guardian Families  | 205 | 183 | 176 | 173 | 199 | 204 | 212 | 207 | 211 | 194 | 185 | 174 | 179 |
|  Head Start Wrap Around - HS Enrolled Only  | 27 | 12 | 13 | 11 | 12 | 11 | 11 | 16 | 19 | 23 | 21 | 30 | 16 |
|  No Priority - Other Family Member  | 191 | 186 | 170 | 160 | 161 | 157 | 157 | 154 | 163 | 155 | 150 | 155 | 177 |
|  Parent with Special Needs  | 168 | 153 | 145 | 136 | 155 | 164 | 159 | 151 | 160 | 150 | 153 | 150 | 120 |
|  Sibling: Contract  | 288 | 315 | 287 | 262 | 339 | 296 | 306 | 302 | 301 | 286 | 267 | 253 | 229 |
|  Sibling: Voucher  | 303 | 331 | 354 | 346 | 417 | 356 | 352 | 354 | 339 | 321 | 295 | 265 | 251 |
|  Summer only care  | 728 | 723 | 716 | 688 | 814 | 721 | 829 | 899 | 1,156 | 1,016 | 618 | 502 | 532 |
|  N/A  | 16 | 12 | 11 | 10 | 9 | 9 | 9 | 9 | 9 | 12 | 10 | 14 | 11 |
| **Grand Total** |  **28,273**  |  **26,141**  |  **23,961**  |  **22,595**  |  **26,147**  |  **25,412**  |  **26,938**  |  **27,708**  |  **29,164**  |  **28,158**  |  **28,179**  |  **27,768**  |  **27,072**  |

Data Report created on October 28, 2015

\*\* Excludes Unborn children, Children 13 or older, “0” zip codes and towns out of state

Slide 28

Image of a line graph that compares the historical counts of the waitlist going back to June 2013 with the number of children served in the income eligible account.

Slide 29

Image of a line graph that tracks the number of DTA children served in fiscals years 2010 through 2015.

Slide 30

Image of a line graph that tracks the number of DCF children served in fiscals years 2010 through 2015.