



Commonwealth of Massachusetts Department of Early Education and Care

Board Meeting

June 21, 2022





Agenda

- Board Meeting Dates for FY23 - VOTE
- Program & Educator Support
 - Commonwealth Cares for Children (C3): April Survey Findings
 - Educator Qualifications, Credentialing & Minimum Hiring Requirements
- Family Access
 - Financial Assistance for Child Care (Subsidy)
 - Proposed Regulation Change: *Continuation of Subsidized Care Services Pending Request for Review* – VOTE
- Executive Session: Litigation Update



Vote on FY23 Meeting Times

For fiscal year 2023, the Board proposes the following meeting schedule:

- September 13, 2022 (1:00PM-4:00PM)
- October 11, 2022 (1:00PM-4:00PM)
- November 8, 2022 (1:00PM-4:00PM)
- December 13, 2022 (1:00PM-4:00PM)
- January 10, 2023 (1:00PM-4:00PM)
- February 14, 2023 (1:00PM-4:00PM)
- March 14, 2023 (1:00PM-4:00PM)
- April 11, 2023 (1:00PM-4:00PM)
- May 9, 2023 (1:00PM-4:00PM)
- June 13, 2023 (1:00PM-4:00PM)

Vote: That the Board of Early Education and Care, in accordance with G.L. c. 15D, § 3(b), shall meet in accordance with the schedule set forth above, and that all meetings will begin at 1:00 p.m. and will be held at 50 Milk Street, Boston MA, unless otherwise announced and duly posted.

Strategic Plan Pillars

Children, Youth, Families



Children are on track for success in school and to reach their full potential. Their families are empowered to work, build their skills, and attain economic mobility while supporting their children's education and development.

Educators



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.

Programs



Programs will increase their sustainability, engage in continuous quality improvement, and promote high-quality education and healthy development among children and youth.

System



To efficiently and effectively steward public investments in early education and care with utmost integrity, transparency and accountability to the people of Massachusetts.



Operationalizing the EEC Strategic Action Plan Implementation Framework & Operational Focus



Human/user-centered restructuring of agency operations and business processes to modernize and improve the staff and user experience

Key User Groups

Children, Youth and Families

Maximize access, streamline procedures and expand early education and care options

Programs

Provide consistent, ongoing supports that promote stable financing, quality services and health and safety

Educators

Facilitate meaningful career pathways, professional advancement and retention of educators in the field

Enabling Mechanisms

Data-driven decision making



New and expanded technology



Staff expertise and engagement



On-going stakeholder engagement



Targeted Program Integrity





Educator and Program Support

C3 Grant April Survey Findings

Programs



Programs will increase their sustainability, engage in continuous quality improvement, and promote high-quality education and healthy development among children and youth.

Key Takeaways:

- Providers continue to spend the majority of C3 funding on operational expenses, although a smaller proportion of funds are covering past expenditures and occupancy costs in the spring relative to the fall.
 - GSA programs are increasingly using grant funds to address staffing costs, while FCCs continue to invest in their business viability and operational stability.
- Providers continue to struggle to hire staff, with more than 65% of center-based programs reporting educator openings and 23% of center-based programs reporting that they are unable to serve their full license capacity due to unfilled staff openings.
- Providers that do not currently participate in the subsidy system cite various barriers, including that their programs are already full with private pay families, reimbursement rates are too low, and the administrative burden is high.



Overview

In April, EEC launched the second in a series of surveys for C3 grantees to gather additional information about programs' use of grant funds, ongoing financial need, investments in educators, and services provided to families.

The survey launched on April 19, and providers were required to complete the survey when they logged in to apply for their next monthly C3 grant.

This analysis includes responses from **5,689 providers (~87% of applicants)** who completed the survey prior to May 24, 2022. Respondents include:

- 1995 GSA programs (~81%), which include group and school age, private school, and license exempt programs
- 3694 FCC programs (~90%)

Among providers who responded to the November and April survey, enrollment increased



While we collect enrollment data as part of the monthly C3 application process, the survey data allows us to further differentiate between full and part time enrollment.

Among the 4,910 providers who reported survey data in both November and April, the number of children enrolled within programs has increased by 5 percent, driven almost entirely by an increase in full time enrollment.

	<u>GSA</u>			<u>FCC</u>		
	Nov	Apr	Change from Nov to Apr	Nov	Apr	Change from Nov to Apr
Full time	36.14	38.74	2.60 (+7%)	4.76	5.18	0.42 (+9%)
Part time	23.26	23.35	0.08 (+0%)	2.12	2.12	0.00 (+0%)
All enrolled	59.45	62.13	2.68 (+5%)	6.88	7.29	0.42 (+6%)

Note. These numbers are calculated based on the 4910 programs that reported serving at least one child in both November 2021 and April 2022. This subset captures 86% of April survey respondents.

Providers continued to spend the majority of C3 funding on operational expenses



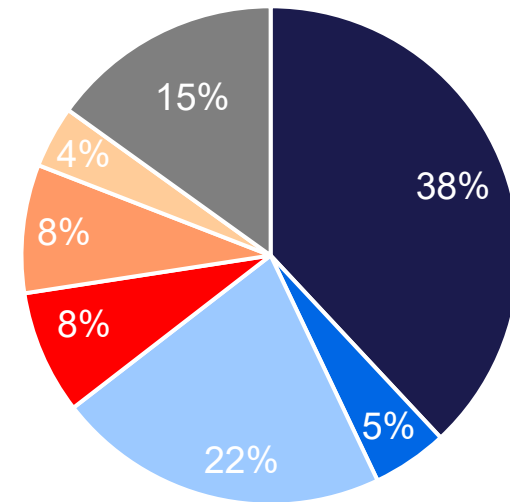
Overall, providers have spent more than 65% (~\$ 149M) of all grant funds awarded on operational expenses, including:

- Almost \$88M on existing payroll and benefits, just over \$11M on COVID-related debt and other past expenses, and almost \$50M on other operational expenses

Providers have also invested more than 20% (~\$47M) of grant funding in new expenses, including:

- Almost \$38M in educator salary and benefit increases, as well as bonuses.
- An additional \$9M in professional development, mental health supports, and new materials or supplies.

Grant Spending by Category, July 2021 to April 2022

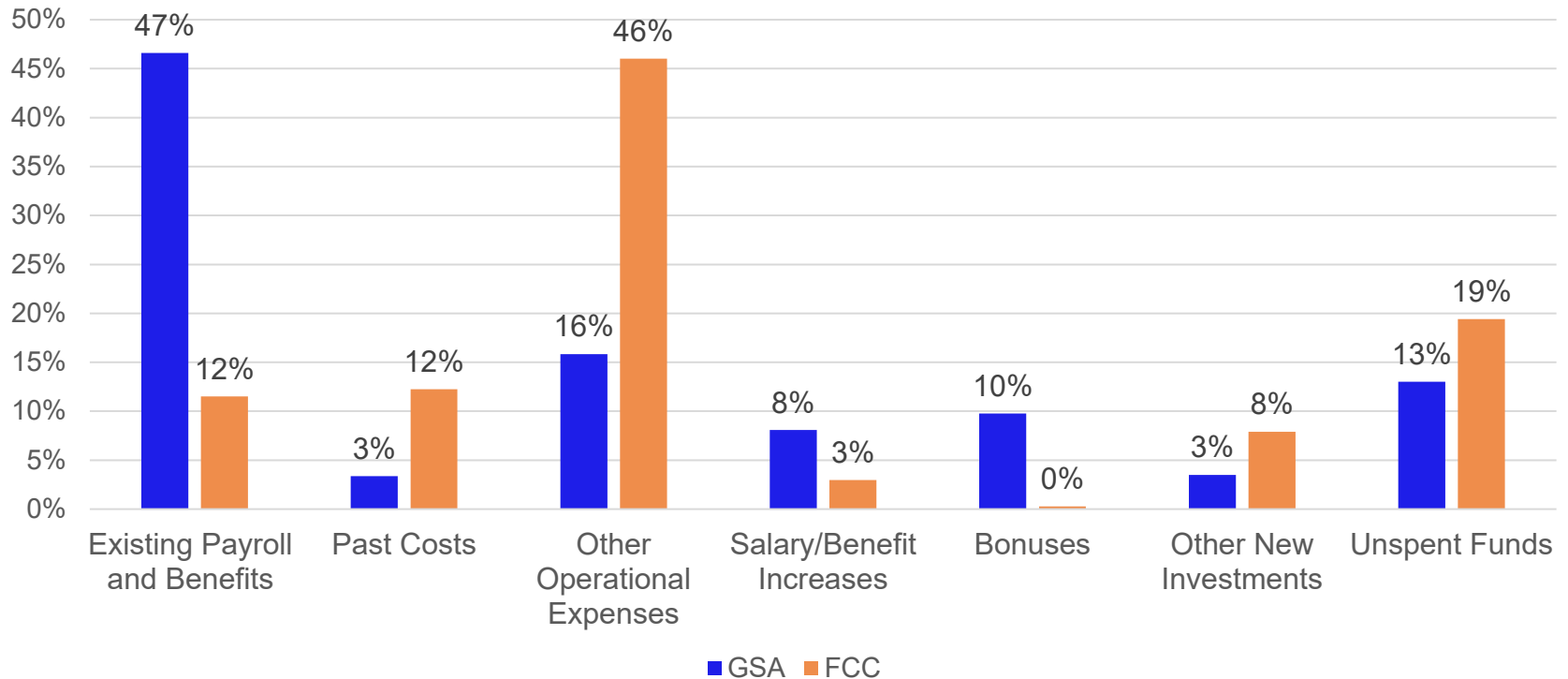


- Existing Payroll and Benefits
- Past Costs
- Other Operational Expenses
- Salary/Benefit Increases
- Bonuses
- Other New Investments
- Unspent

Grant expenses varied by program type

Group and school age programs spent, on average, almost half of their grant funding to support existing payroll and benefits, while **family child care programs** spent, on average, almost half on other operational expenses such as rent, mortgage payments, utilities, facilities maintenance, and PPE.

Average Grant Funds Expended to Date By Program Type

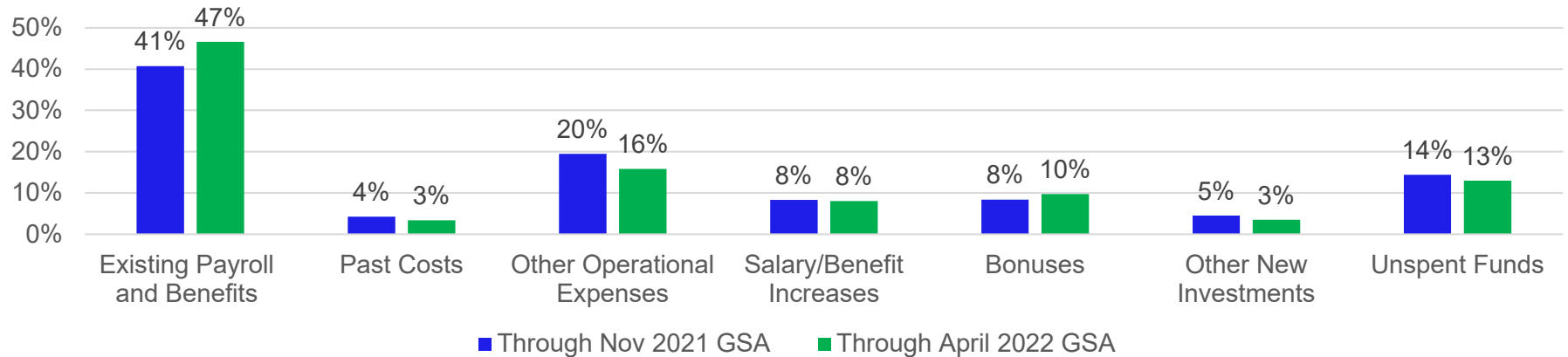


Both GSA and FCC programs shifted spending from operational expenses to other investments over the year

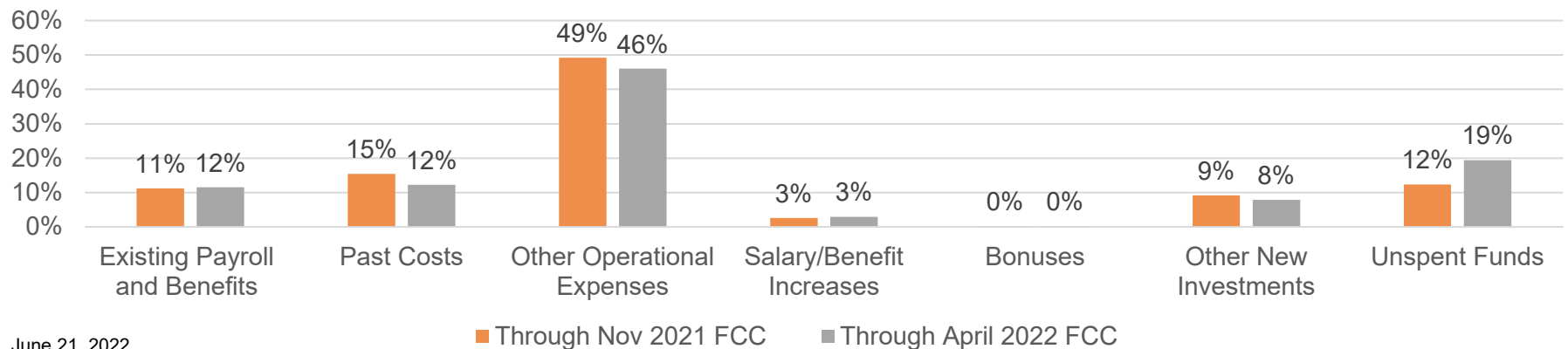


On average, both GSA and FCC programs reported spending a lower proportion of funds on other operating expenses and past costs between the November and April surveys. GSA programs are dedicating these funds to staffing (both existing payroll and new workforce investments).

Group and School Age Program Average Grant Spending Over Time



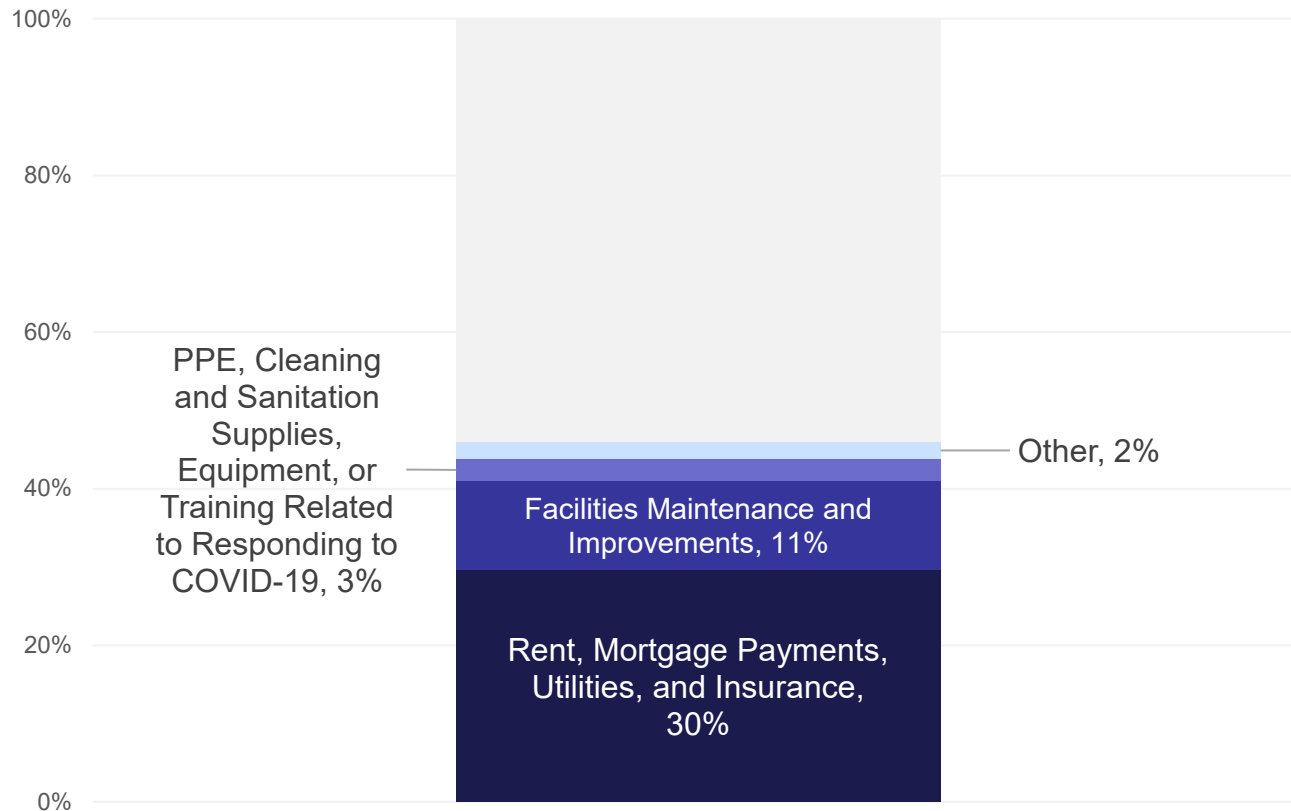
Family Child Care Provider Average Grant Spending Over Time



FCCs spent most “other operational costs” on rent, mortgage, utilities, and insurance



FCC Average Spending on "Other Operational Expenses" Through April 2022

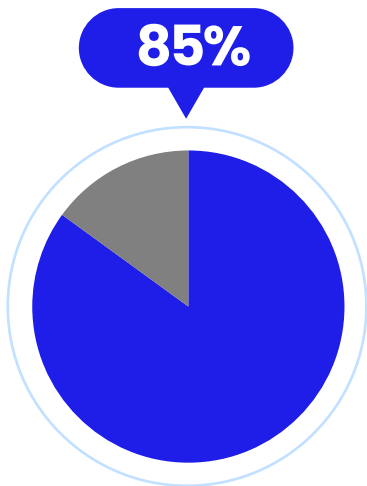


Overall, FCC providers spent an average of 46% of their C3 funding on “other operational expenses” through April 2022. Most of these funds were used for rent, mortgage, utilities, and insurance, with a substantial portion also used for facilities maintenance and improvements.

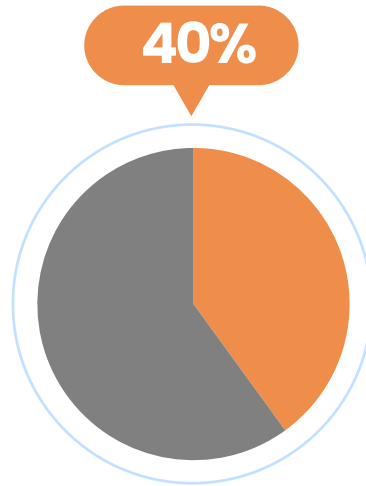
More than half of programs reported raising salaries since July 2021



51% of programs reported raising salaries since July 2021, including investments made with grants funds and funds from other sources, including:



85%
of GSA programs reported raising salaries since July 2021



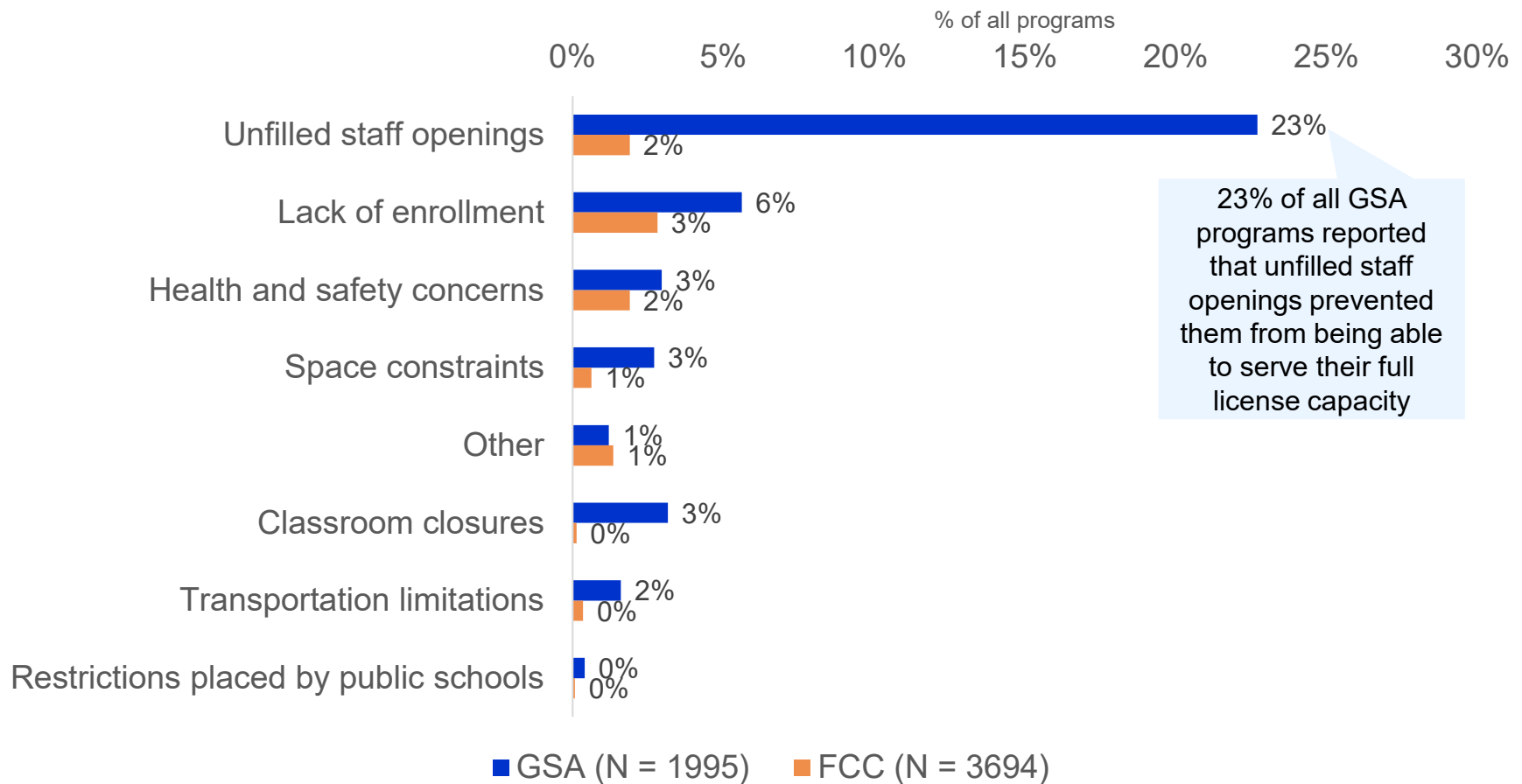
40%
of FCC programs reported increasing compensation for themselves or their assistant since July 2021

Position	Number of GSA educators who received a salary increase since July '21
Lead Educators	10,329
Assistants	5,016
Group Leaders	2,205
Center Directors	1,266
Program Admin	711
Site Coordinators	601
Total Educators receiving a salary increase	20,128 (73% of the total GSA educators reported in survey)

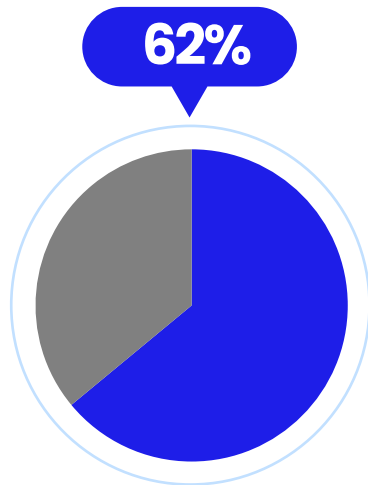
Programs continue to face challenges staffing full licensed capacity



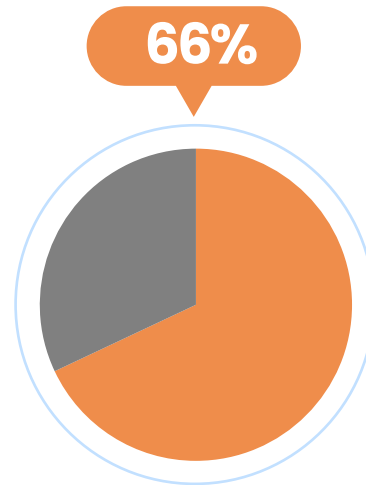
Overall, 14% of all responding programs said they were unable to serve their full licensed capacity, citing the following limitations:



Overall, 65% of providers responding to the survey accepted families with subsidies.



**of GSA programs
accept families with
subsidies**



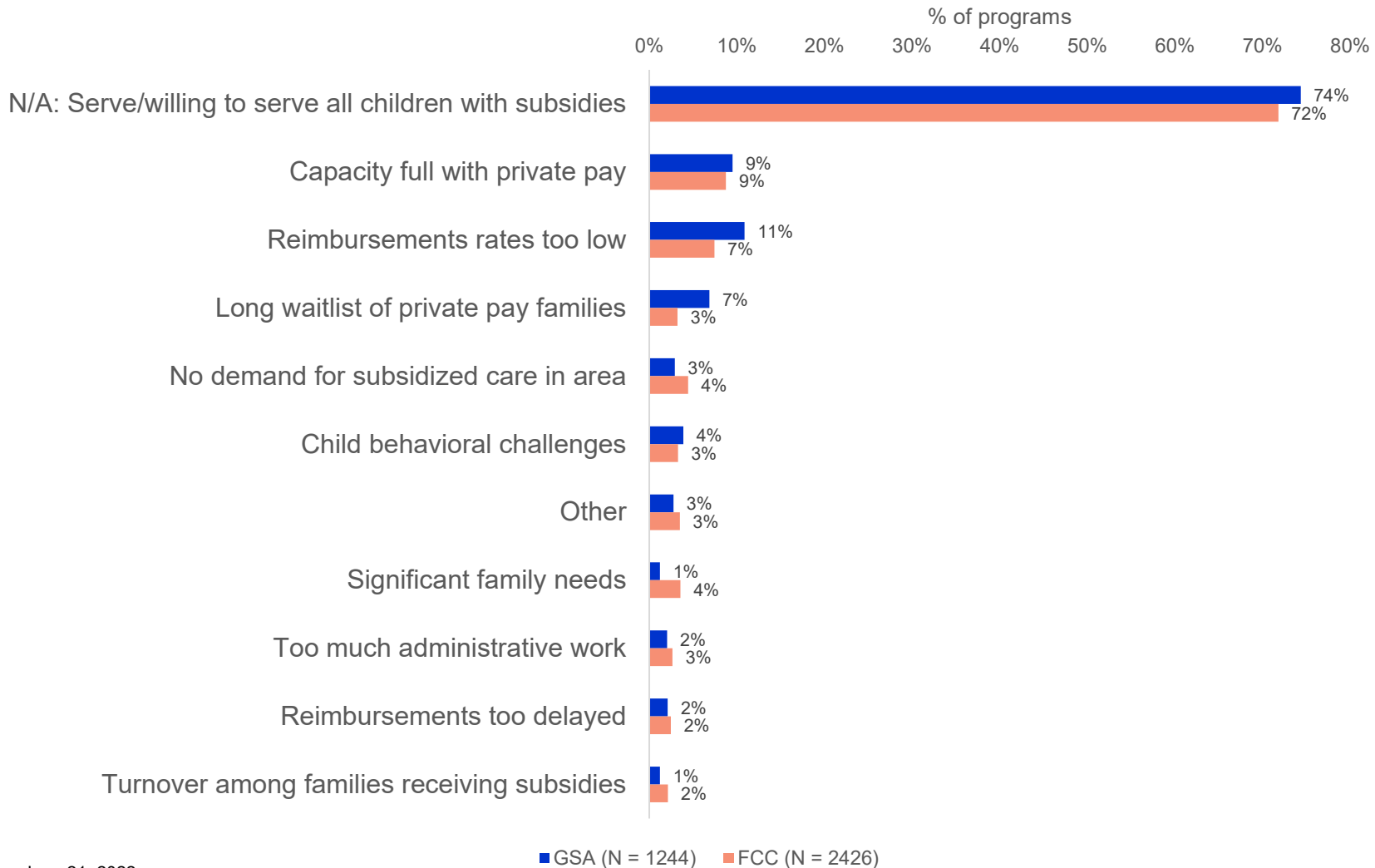
**of FCC programs
accept families with
subsidies**

Nearly all programs that accept children with subsidies served at least one child with a subsidy (92% of GSA programs, 94% of FCC programs).

Most subsidized providers did not report barriers to serving additional children with subsidies.



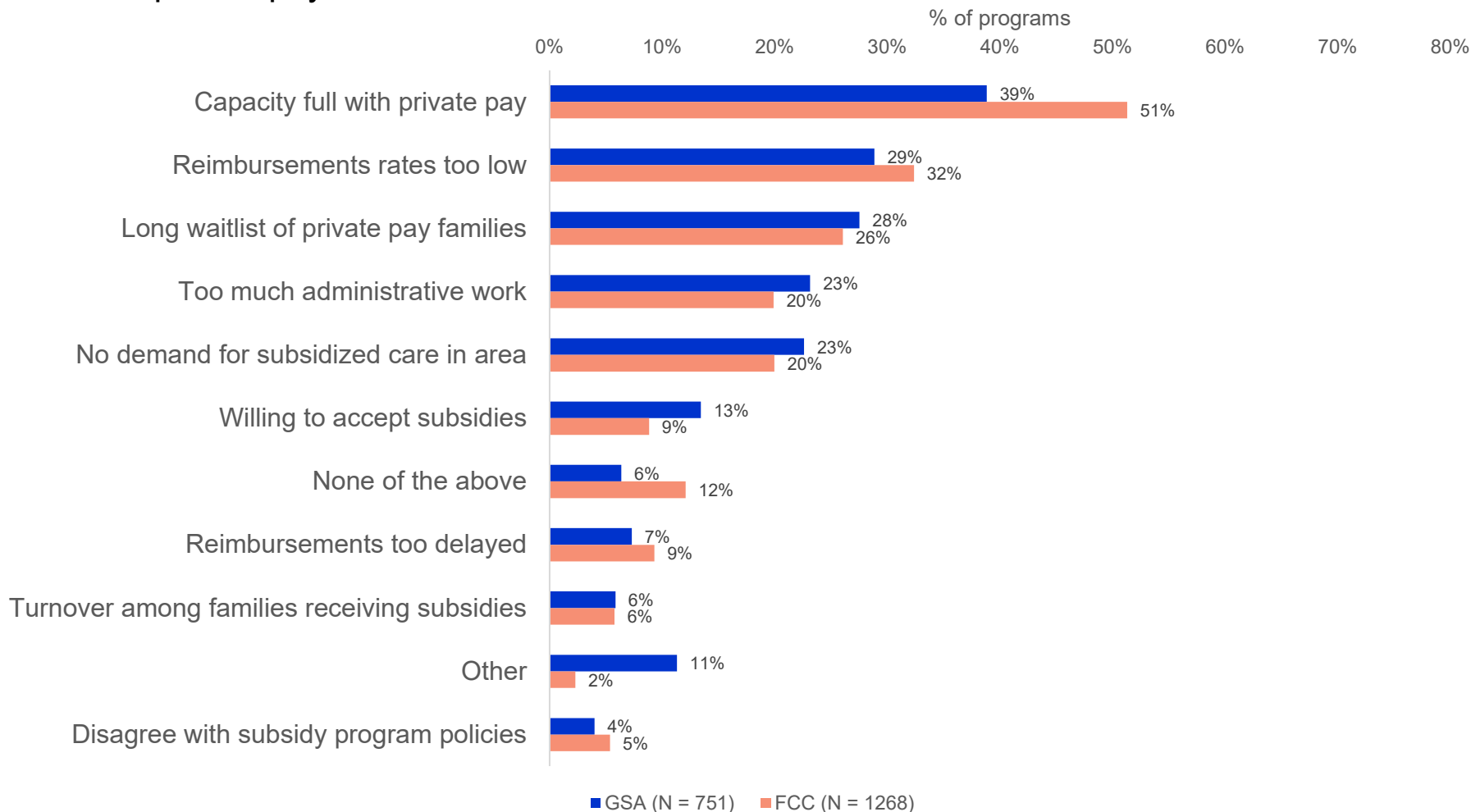
Among programs that accept families with subsidies (65%), almost three quarters do not report any barriers to serving additional children receiving subsidies.



Providers that did not currently accept children receiving subsidies reported various barriers to entering the subsidy system.



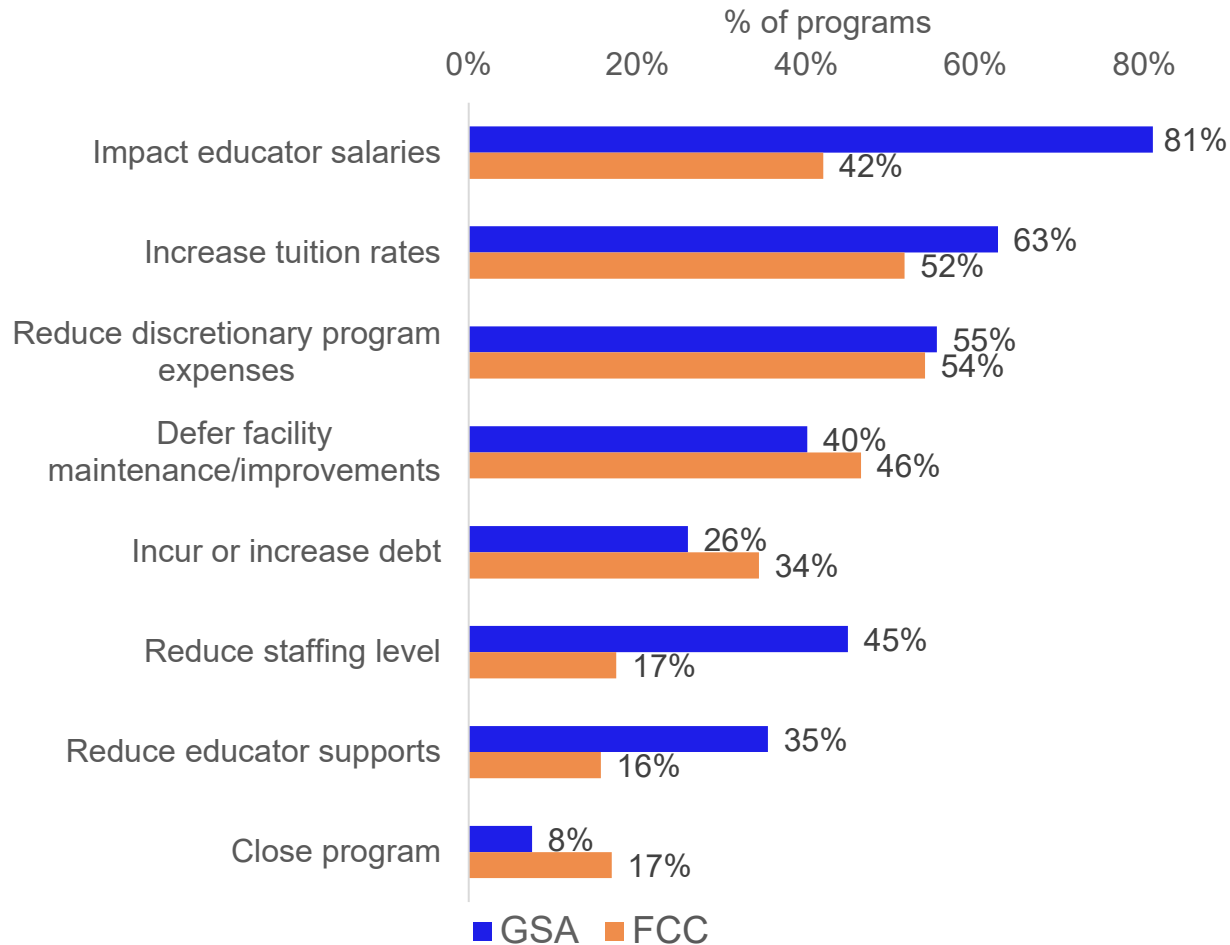
Among programs that do not currently accept children with subsidies (35%), the top reported barrier to entering the subsidy system is that program capacity is already filled with private pay children.





Providers report concern about future of C3 grants

When asked what changes programs would have to make in the next year if they didn't have grant funding, more than 80% of GSA providers reported that they would have to reduce compensation and/or defer salary increases.



Educator Qualifications & Credentialing

Educators



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.

Key Takeaways:

- EEC has a foundational plan to facilitate meaningful career pathways and several initiatives underway to support professional growth for the early education and care workforce.
- The urgency of the workforce crisis required immediate intervention and flexibility while continuing to define the longer-term vision.
- The Board approved temporary changes to the Minimum Hiring Requirements in December. The Department anticipates bringing back an update to the changes in the early fall.

Building a Workforce System

Transitioning from Current to Future State



EEC will support two parallel, but equally important efforts to address system needs

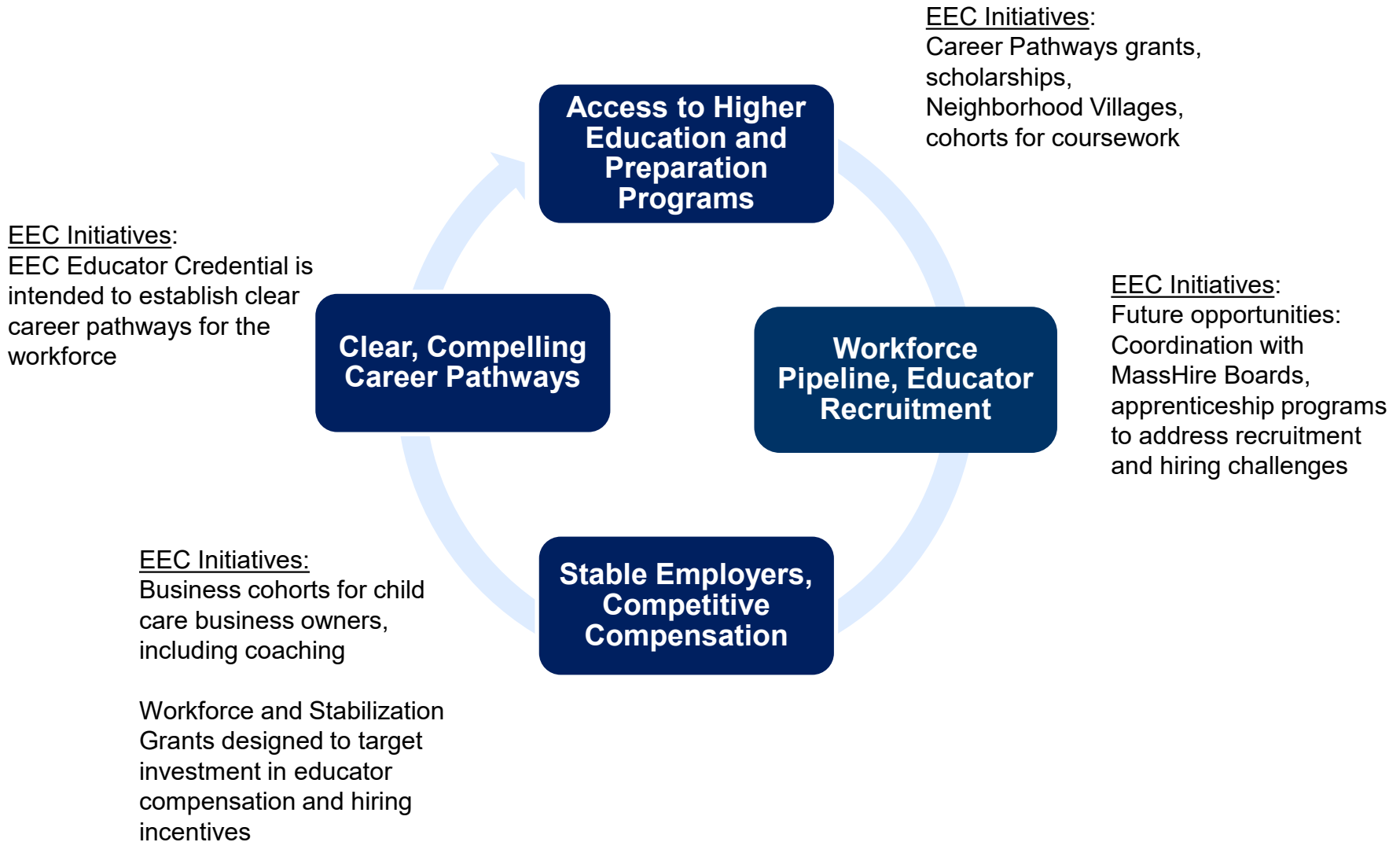
Work with partners to develop a career pathway and credentials that are:

- *Inclusive*- All educators and program types
- *Stackable*- A career path that build towards and recognizes certificates and degrees
- *Transferable*- Educators carry their credential record across jobs and roles
- *Skill Building*- Competency-based structure to organize professional learning through concrete activities

In the meantime, take immediate steps to address the workforce crisis with support for educators and programs:

- Reduces barriers to quick hiring
- Supports flexibility in hiring
- Encourages on-going learning after hire
- Supports skill development aligned with future credential expectations

Building a Workforce System





DRAFT MA ECE CREDENTIAL

Levels	Work Experience Path	Degree Path
Foundational	EEC Essentials HS Diploma/GED	
1	1 year + documented work assisting, helping, supporting	HS Diploma + CGD; Progress towards CDA/Cert.
2	3 years + documented work facilitating, instructing, coordinating care	Associate's Degree+ Relevant Experience
3	5 years + documented work assisting, guiding practice of others	Bachelor's Degree + Relevant Experience
4	7 years + documented work planning, designing, leading	Master's Degree +Relevant Experience
Work Activities		

Current State

Educator Qualifications: Existing Regulations



Qualifications

- **Qualification requirements are defined in licensing regulations** (*606 CMR 7.00*)
- **Defines experience and coursework requirements by program type and role:** different requirements for each program type and qualifications not transferable
- **Requires courses in defined courses of study and credits** (CEUs allowed in limited circumstances)
 - Child Growth and Development the primary course requirement for teachers must be credit bearing (no CEUs)
 - More flexibility for lead teacher and director courses supported by a listing of available courses and the course of study that they support, with limited relevance to school age only care
- **Restricts prior work experience to specific settings and age groups**
 - Educators in center-based programs must have certified director sign off on experience, for example.
 - Qualifying experience for FCCs is broader and includes experience as a parent

Pre-COVID Operations

- **Review of qualifications were centralized to the teacher qualifications unit.**
 - Small unit reviewed every application, often requiring substantial back and forth with candidates
 - Process caused bureaucratic delays that affected hiring timelines

Current State: Educator Qualifications

Temporary COVID Policies & Procedures 12/2021 - Present



Qualification Changes

- **Broadens the ways that programs can determine requirements** are met for new hires, including accepting DESE licenses; provisional acceptance of 'unofficial' transcripts due to college backlogs; out of state equivalencies; increased range of content and titles for coursework
- **Less restrictive, more responsive ways** for educators **to engage in preparation and coursework** such as allowing educators to complete most coursework prior to hire but to complete some coursework within a few months of hire
- **Expand the specific common courses** that qualify for 'rapid hire'
- **Increase flexibility** considering the ways that **work experience** qualifies an educator for providing unsupervised care for children:
 - For example: allowing programs to count all direct work with children and in programmatic leadership positions, in a variety of settings and roles, towards work experience requirements

Operational Changes

- Process of sending teacher qualifications to EEC was eliminated
- **Program leaders validate teacher qualifications at program level** to expedite hiring times, and are required to maintain documentation to demonstrate their staff meet specified qualifications—this documentation is being reviewed by licensors during monitoring visits

Feedback & Lessons Learned: Temporary Policies & Procedures



Continued support for a quick hiring process is essential

- Many programs appreciate ability to expedite hiring
- Cannot return to delayed timelines associated with a centralized qualification review process
- Still in process of understanding whether effective use was made of the flexibilities provided

Providers need Technical Assistance

- Complex hiring decisions facing program directors suggests that additional EEC support is necessary, particularly around required courses and experience
- Educators also need guidance in selecting coursework and training to build towards professional advancement

Educators need a clear pathway to advancement

- Educators want a qualification path that is portable across programs and independent of individual director decisions
- Clarification about how courses count towards qualifications will assist educators in identifying the appropriate courses for study



Next Steps – Immediate Support (Q1 FY23)

Develop and launch technical assistance immediately

- Make consultation available for complex hiring determinations
- Support access to professional development and coursework opportunities for educators to advance professionally

Soft launch the Professional Development Registry to support qualification document gathering and review

- Eliminating paper-based review will streamline the verification process
- Opportunity to move to a “digital” filing cabinet for all (i.e. EEC, directors, educators)
- Pilot launch of registry with programs and educators looking for certification support

Consider returning to optional certification

- Returns an external validation option for the field
- Supports educators who want transferable professional validation
- Supports review processes when onsite options are not sufficient

Provide guidance around utility of current activities in the future credentialling system

- Review available trainings and courses
- Identify both how they count in the current system and the currency they will have in the credentialling system



Next Steps – Long-Term Plan (Through FY23)

Refine and finalize the EEC Educator Credential (Q1 and 2 of FY23)

- Engage with stakeholders around the credential design
- Finalize competency alignment and degree expectations for each level
- Identify supplemental endorsement expectations (i.e. infant/ toddler, leadership, etc.)
- Develop documentation and verification systems
- Communicate credential expectations and processes to the field with timeline to launch

Work with higher education partners to design aligned and accessible pathways to credentialing (Planning in Q1 will identify timelines)

- Work with Career Pathways grantees and other partners to identify the opportunities and processes to provide credit for prior learning
- Develop an aligned certification and degree system to support advancement on the credential

Build Career Pathway into Professional Development Registry (Q3 and 4 of FY23)

- Once the credential requirements are finalized, the registry will become the system of record to track and verify educator progress
- Educators, programs and EEC staff will share access to information without need for paper files



Family Access

Financial Assistance for Child Care (Subsidy) Approach

Children, Youth, Families



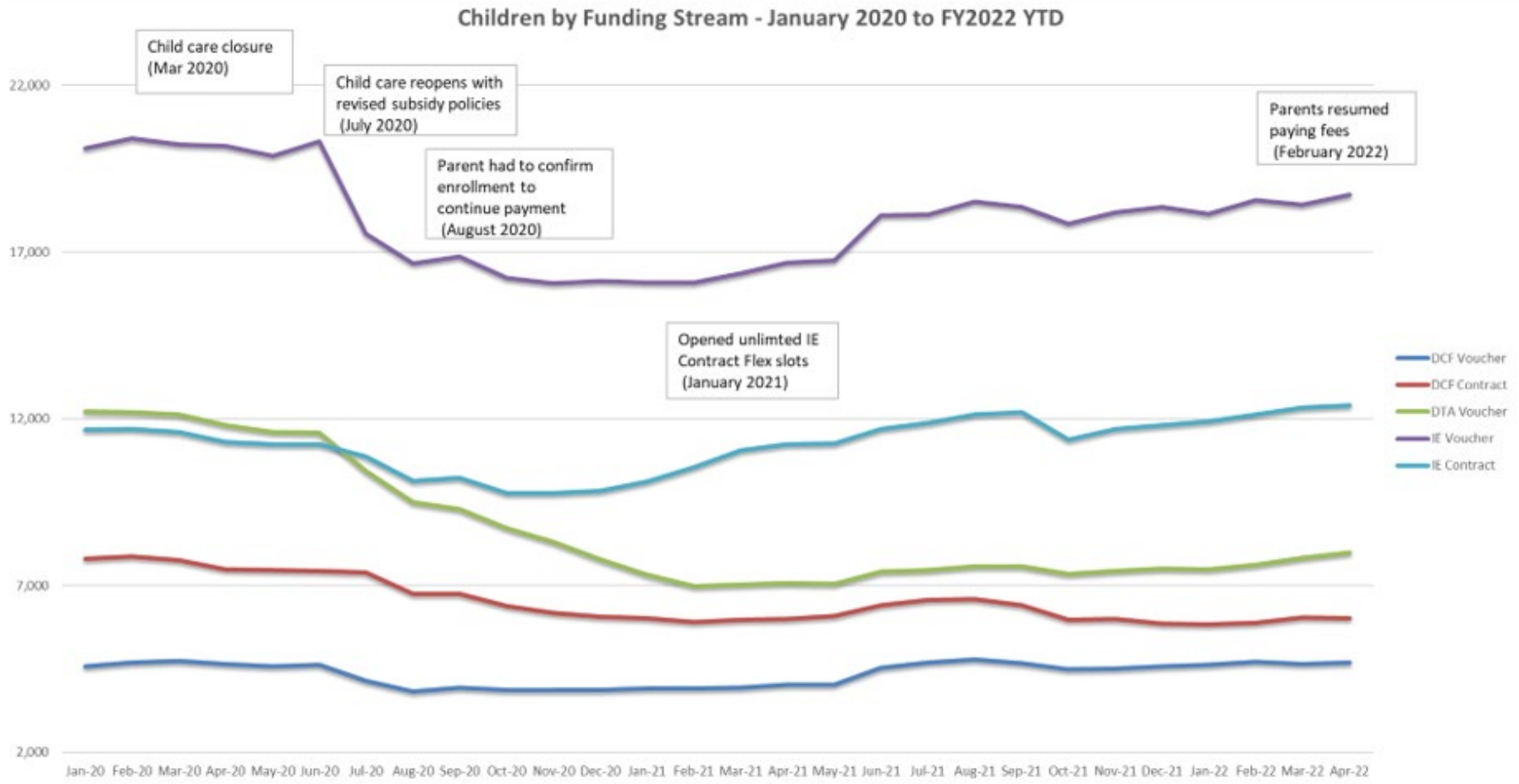
Children are on track for success in school and to reach their full potential. Their families are empowered to work, build their skills, and attain economic mobility while supporting their children's education and development.

Key Takeaways:

- EEC has begun holistic, listening and feedback-driven and analysis of the child care financial assistance system (subsidy)
- Initial areas of focus have been identified to simplify the process for families, reduce the burden on CCRRs/providers and collect better data on system needs
- EEC project team is focused on increasing placements, reconciling waitlist data, innovative efforts to connect families to referral services, and revising policies to facilitate family access



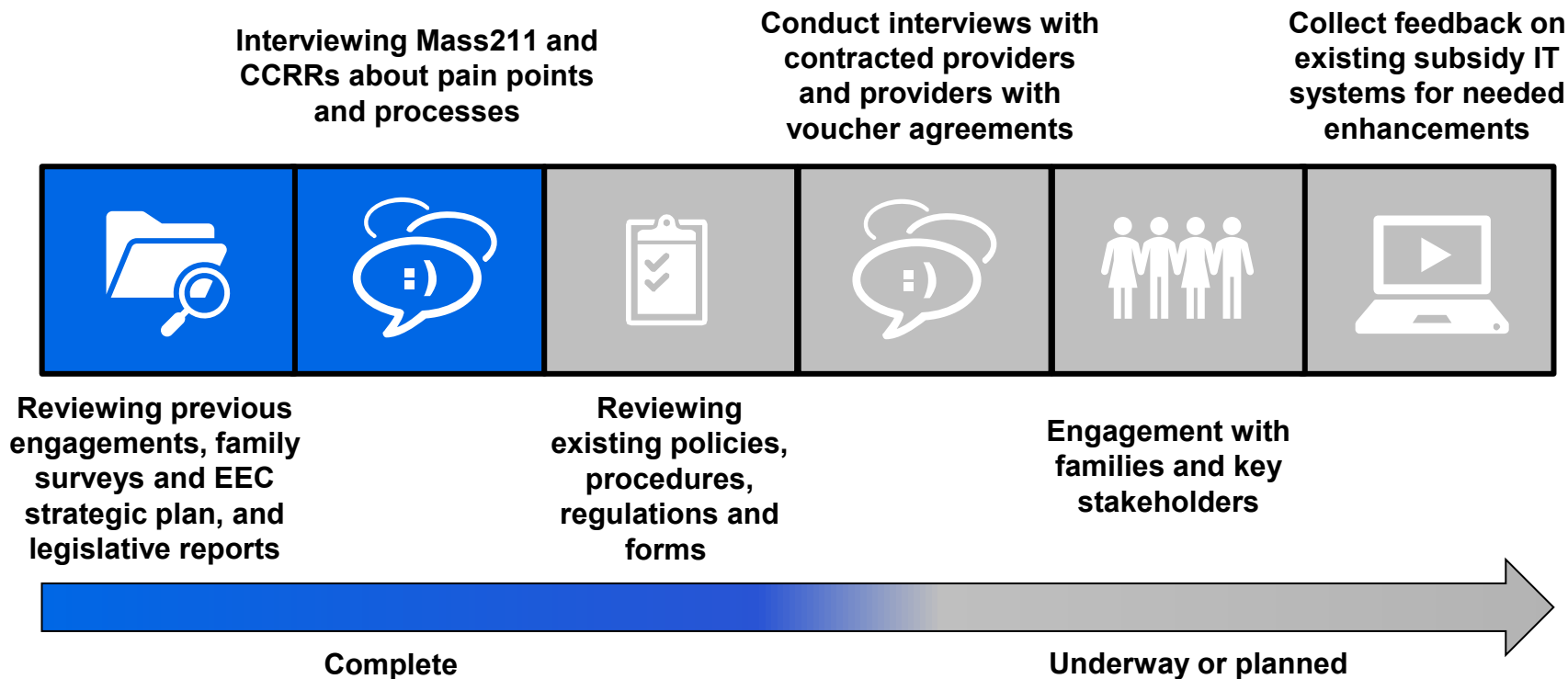
Financial Assistance for Child Care (Subsidy) Caseload Trends



Financial Assistance for Child Care (Subsidy) Process for Project



In order to ensure a holistic understanding of the current state, data collection and analysis for this project includes interviews with staff at EEC, Mass211, Subsidy Administrators (i.e. CCRRs and contracted providers), families and other key stakeholders, as well as review of key documents (policies, regulations, forms, processes) and systems (Kinderwait and CCFA)





Areas of Focus

- **Simplify policies, processes and procedures** for families seeking subsidy for timely and need-responsive placements
- Align, where possible, subsidy program **eligibility requirements, verifications and definitions with other public benefit programs**
- **Revisit/Update Kinderwait, EEC's waitlist management system**, to expedite family enrollment and improve data quality/capability
- **Consistent use of eDocuments/eSignature and use of virtual appointments** to hasten document collection, verification process and enrollment
- **Expand access/providers serving families with a subsidy**, in specific regions, for specific age groups and hours of operation

Next Steps

- **Targeted family outreach, intake application support and waitlist reconciliation**
 - Enroll additional children across all programs (Income Eligible, DCF, DTA)
 - Shorten length of time from waitlist to eligibility determination to enrollment
- **Revisions to *Financial Assistance Policy Guide* to facilitate family access and reduce administrative burdens across the system**
 - Reduce unnecessary steps to streamline eligibility process
 - Restructure guide for ease of use, understanding and accessibility for key users (families, providers, CCRRs)
- **Initiate CCRR and subsidized provider contract procurements**
 - Execution of interim contracts to ensure stability for families and providers
 - Launch of procurement/RFR development process

Continuation of Subsidized Care Services Pending Request for Review



Children, Youth, Families



Children are on track for success in school and to reach their full potential. Their families are empowered to work, build their skills, and attain economic mobility while supporting their children's education and development.

Key Takeaway:

- In alignment with EEC's effort to facilitate family access and stable care for children, the agency is proposing a regulatory revision to support families in maintaining access to subsidy when they are awaiting the results of a request for review

Continuation of Subsidized Care Services Pending Request for Review – VOTE



EEC is seeking authority to publish amended subsidized child care regulations for public comment. These proposed changes aim to streamline the review and hearing process for families:

- Increase the availability of continued subsidized care during the review and hearing process following the termination of care, or denial at reauthorization, to ensure that families have access to stable care as they await the results of their review/hearing
- Make the appellate process less complex and more user friendly for families by placing tighter timeframes for adjudicating requests for review and hearing, enhancing notice requirements so families are aware of their options and responsibilities, and permitting the use of virtual platforms for hearings to limit the inconvenience for families.
- Eliminate redundancies between regulatory sections to make it easier for stakeholders to navigate the regulatory landscape.

Vote: That the Board of Early Education and Care, in accordance with G.L. c. 15D, § 2, hereby approves the draft amended regulations concerning subsidized care and authorizes the Acting Commissioner of Early Education and Care to file these amended regulations with the Secretary of the Commonwealth for publication of a Notice of Public Comment in the *Massachusetts Register* consistent with the Department's proposed policy directions and subject to the approval of the final regulations, after a Public Comment period, by the Board.

Appendix



Overall system capacity continues to rebound

	Number of Licensed Providers			Total License Capacity		
	# Providers* (Pre-COVID)	# Providers* (June 14, 2022)	% of Pre-COVID Providers	License Capacity (Pre-COVID)	License Capacity (June 14, 2022)	% Pre-COVID License Capacity
Group and School Age	2,888	2,784	96.4%	187,302	183,414	97.9%
Family Child Care	5,331	4,799	90.0%	42,086	38,484	91.4%
Total	8,219	7,583	92.3%	229,388	221,898	96.7%

This represents a net gain of 133 seats, since we last reported data (as of May 1, 2022).

In the second year of the pandemic (March 2021 and Feb 2022), programs (both FCC and GSA) opened at higher rates, compared to the year prior to the pandemic (March 2019 to Feb 2020).

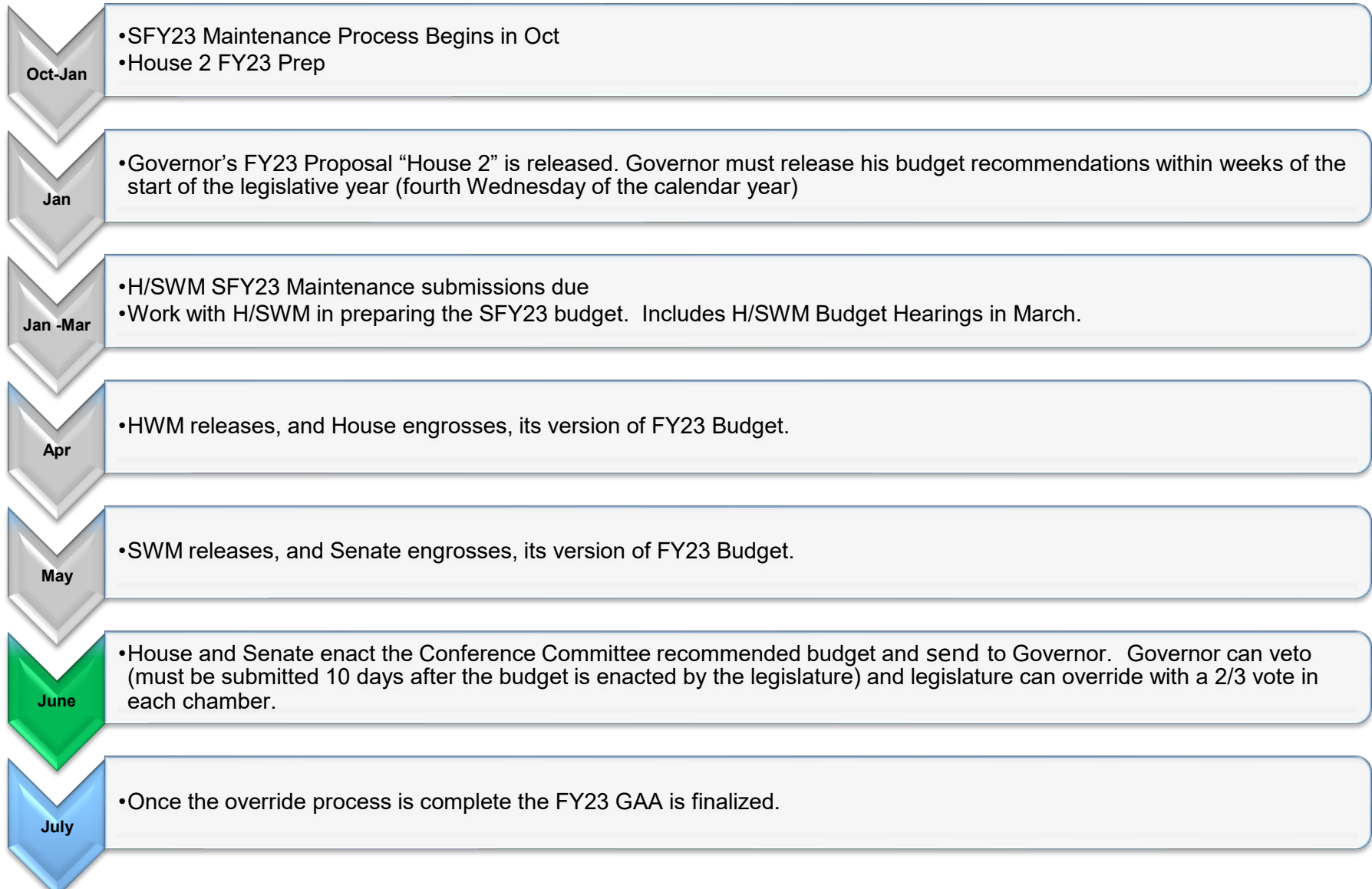


Patterns of recovery vary across regions

Region and Type	# programs open March 2020*	# programs open June 14, 2022	% of pre-COVID programs	Total Licensed Capacity
1 – Western FCC	874	767	87.8%	6,108
1 – Western GSA	391	378	96.7%	22,297
2 – Central FCC	1157	1031	89.1%	8,164
2 – Central GSA	522	505	96.7%	34,879
3 – Northeast FCC	1296	1147	88.5%	9,224
3 – Northeast GSA	675	668	99.0%	49,189
5 – Southeast & Cape FCC	938	861	91.8%	6,892
5 – Southeast & Cape GSA	614	578	94.1%	36,920
6 – Metro Boston FCC	1066	993	93.2%	8,096
6 – Metro Boston GSA	686	655	95.5%	40,129
	8,219	7,583	92.3%	221,898



FY23 Budget Update: FY23 GAA Timeline





FY23 EEC Budget Status

Line Item	Line Description	FY22 GAA	FY23 House Final	FY23 Senate Final	FY23 House in Senate Structure	FY23 Senate vs. FY23 House	Conference High Number (exc earmarks)	Conference Low Number
3000-1000	Administration	\$ 7,069,823	\$ 11,591,537	\$ 7,101,537	\$ 6,591,537	\$ 510,000	\$ 6,591,537	\$ 6,591,537
3000-1020	Quality Improvements	\$ 44,551,119	\$ 44,551,119	\$ 44,551,119	\$ 44,551,119	\$ -	\$ 44,551,119	\$ 44,551,119
3000-1042	Center Based Rate Reserve	\$ 20,000,000	\$ 70,000,000	\$ 25,000,000	\$ 60,000,000	\$ (35,000,000)	\$ 60,000,000	\$ 25,000,000
3000-1044	Parent Fee Reserve	\$ 8,950,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3000-1045	Operational Reserve	\$ -	\$ -	\$ 250,000,000	\$ -	\$ 250,000,000	\$ 250,000,000	\$ -
3000-1046	Supports Reserve			\$ 25,000,000	\$ 15,000,000	\$ 10,000,000	\$ 25,000,000	\$ 15,000,000
3000-2000	Access Management	\$ 12,000,000	\$ 15,000,000	\$ 12,000,000	\$ 15,000,000	\$ (3,000,000)	\$ 15,000,000	\$ 12,000,000
3000-3060	Supportive Care	\$ 358,928,901	\$ 325,541,422	\$ 325,541,422	\$ 325,541,422	\$ -	\$ 325,541,422	\$ 325,541,422
3000-4060	Income Eligible Child Care	\$ 298,702,892	\$ 368,108,945	\$ 368,108,945	\$ 368,108,945	\$ -	\$ 368,108,945	\$ 368,108,945
3000-5000	Grants to Head Start	\$ 15,000,000	\$ 16,500,000	\$ 16,500,000	\$ 16,500,000	\$ -	\$ 16,500,000	\$ 16,500,000
3000-6025	CPPI	\$ 10,000,000	\$ 10,000,000	\$ 15,000,000	\$ 10,000,000	\$ 5,000,000	\$ 15,000,000	\$ 10,000,000
3000-6075	Mental Health	\$ 3,000,000	\$ 3,000,000	\$ 3,500,000	\$ 3,000,000	\$ 500,000	\$ 3,500,000	\$ 3,000,000
3000-7040	Title IV-ERR	\$ 320,000	\$ 320,000	\$ 320,000	\$ 320,000	\$ -	\$ 320,000	\$ 320,000
3000-7050	CFCE	\$ 11,539,190	\$ 11,539,190	\$ 11,539,190	\$ 11,539,190	\$ -	\$ 11,539,190	\$ 11,539,190
3000-7052	Parent-Child Plus program	\$ 3,300,000	\$ 4,000,000	\$ 3,300,000	\$ 4,000,000	\$ (700,000)	\$ 4,000,000	\$ 3,300,000
3000-7055	Neighborhood Village	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 1,000,000
3000-7066	Career Pathways	\$ 5,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ (10,000,000)	\$ 10,000,000	\$ -
3000-7070	Reach Out and Read	\$ 1,548,228	\$ 1,548,228	\$ 1,000,000	\$ 1,548,228	\$ (548,228)	\$ 1,548,228	\$ 1,000,000
		\$ 800,910,153	\$ 892,700,441	\$ 1,109,462,213	\$ 892,700,441	\$ 216,761,772	\$ 1,158,200,441	\$ 843,452,213

Department of Early Education and Care -- GAA Budget History

