

Commonwealth of Massachusetts Department of Early Education and Care

Board of Early Education & Care – June Meeting

June 12, 2024

Agenda

Routine Business

- Approval of Minutes from April 10, 2024 Meeting – **VOTE**
- Approval of Board Meeting Dates for FY25 – **VOTE**
- Gates Foundation Funding for EEC Strategic Data Project Fellow – **VOTE**

Items for Discussion and Action

- FY25 Budget Update
- Commonwealth Cares for Children (C3) Program Update and Planning for FY25
- Residential Regulations Reforms Update
- Child Care and Development Fund (CCDF) State Plan – **VOTE**
 - 2024 CCDF Final Rule

FY25 Meeting Schedule

For state Fiscal Year 2024 (FY24), the Board proposes the following meeting schedule.

Wednesday, September 11, 2024 (1:00-4:00pm)	Wednesday, February 12, 2024 (1:00-4:00pm)
Wednesday, October 9, 2024 (1:00-4:00pm)	Wednesday, March 12, 2024 (1:00-4:00pm)
Wednesday, November 13, 2024 (1:00-4:00pm)	Wednesday, April 9, 2024 (1:00-4:00pm)
Wednesday, December 11, 2024 (1:00-4:00pm)	Wednesday, May 14, 2024 (1:00-4:00pm)
Wednesday, January 15, 2025 (1:00-4:00pm)	Wednesday, June 11, 2024 (1:00-4:00pm)

MOVED: 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.

Commissioner's Authority to Seek Funding and Create a Trust for Data Analysis

EEC recommends approval and adoption of the Declaration of Trust to support the cost of a data analyst for the Department.

Subject to the approval of the Board, the Commissioner may apply for and accept on behalf of the Commonwealth, any federal, local, or private grants, bequests, gifts, or contributions to aid in the financing of any of the programs or policies of the Department. Such funds shall be received by the state treasurer on behalf of the Commonwealth and deposited in a separate account and shall be expended under the direction of the Commissioner, with the approval of the Board. Federal funds paid as reimbursement to the Commonwealth shall be deposited into the General Fund. To that end, the Department has established The Commonwealth of Massachusetts, Strategic Data Project Expendable Trust ("Expendable Trust") through a Declaration of Trust for the purpose of accepting, on behalf of the Commonwealth, funds from The Bill and Melinda Gates Foundation in the form of grants to be used by the Department to support the cost of a data analyst at the Department.

This Expendable Trust is established exclusively for the purpose of supporting the cost of a data fellow at the Department to leverage existing datasets related to the Commonwealth Preschool Partnership Initiative ("CPPI") to understand where the current supply of Pre-K is not meeting demand and to begin Preschool to Grade 2 outcomes analysis.

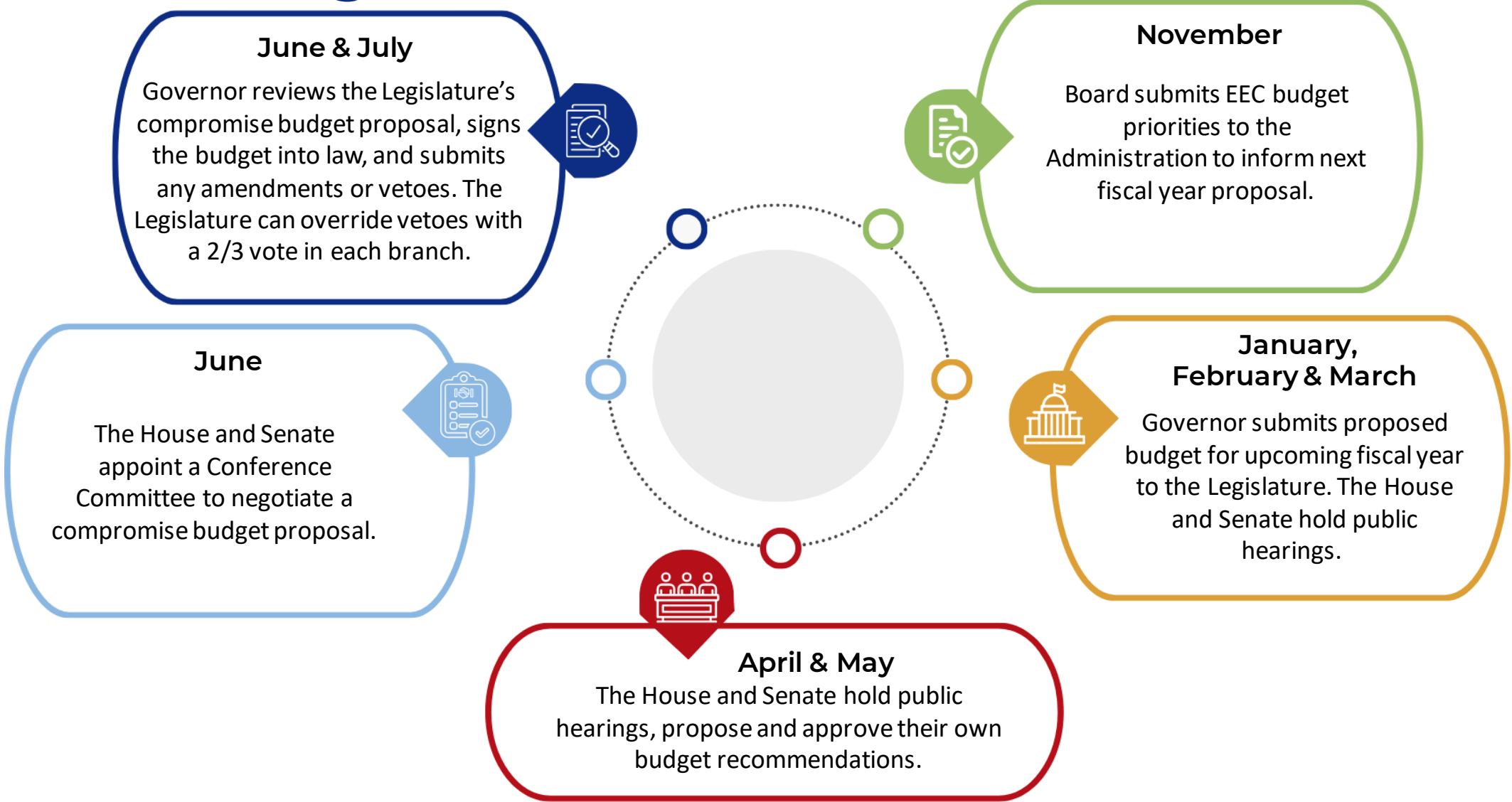
MOVED: That the Board of Early Education and Care hereby authorizes the Commissioner, pursuant to G.L. c. 15D, §4, to apply for and accept grant funding and establish an Expendable Trust for the purpose of receiving the funds to support the cost of data analysis and implementation for the Department.



1

FY25 Budget Update

State Budget Process



EEC Budget Proposals: Highlights

FY25 Governor Proposal
\$1,555.6

Link to the full [Governor Proposed Budget](#)

FY25 House Budget
\$1,509.3

Link to the full [House Budget](#)

FY25 Senate Budget
\$1,557.2

Link to the full [Senate Budget](#)

All three budget proposals would make significant investments across key areas of priority for the agency, Board and broader early childhood field:

- **Child Care Financial Assistance & Family Access and Engagement**
- **Commonwealth Cares for Children (C3)**
- **Other Workforce and Program Supports**

To see the full list of line items and proposed funding levels see [slide 49](#), in the appendix.

EEC Proposed Budget (in millions)

Child Care Financial Assistance & Family Access and Engagement

Line Item	Appropriation Name	FY25 GOV Proposal	FY25 House Budget	FY25 Senate Budget
3000-1049	Employer-sponsored Child Care	\$0.0	\$0.0	\$2.5
3000-2000	Access Management	\$20.0	\$20.0	\$20.0
3000-3060	DCF/DTA Related Child Care	\$356.6	\$356.6	\$356.6
3000-4060	Income-Eligible Child Care	\$417.2	\$417.2	\$417.2
1596-2411	Income Eligible Waitlist Remediation	\$0.0	\$30.0	\$0.0
1596-2434	Rate Increase for Early Education and Care	\$65.0	\$65.0	\$65.0
1596-2435	EEC Affordability	\$75.0	\$0.0	\$80.0
3000-5000	Grants to Head Start Programs	\$15.0	\$17.5	\$18.5
3000-7050	CFCE	\$11.9	\$11.9	\$11.9
3000-7052	Parent-Child Plus Program	\$4.0	\$4.0	\$4.3
3000-7070	Reach Out and Read	\$1.0	\$1.0	\$1.0
TOTAL				

EEC Proposed Budget (in millions)

All three proposals fund C3 at \$475 Million, but each budget proposes different funding sources.

Commonwealth Cares for Children (C3)

Line Item	Appropriation Name	FY25 GOV Proposal	FY25 House Budget	FY25 Senate Budget
3000-1045	C3 Stabilization Grants (General Fund and/or High-Quality Early Education and Care Affordability Trust Fund)	\$325.0	\$200.0	\$325.0
3000-1048	C3 Non-Subsidy Providers (iLottery)	\$0.0	\$100.0	\$0.0
1596-2410	Child Care Grants to Providers (Fair Share)	\$150.0	\$175.0	\$150.0
TOTAL		\$475.0	\$475.0	\$475.0

EEC Proposed Budget (in millions)

Other Workforce and Program Supports

Line Item	Appropriation Name	FY25 GOV Proposal	FY25 House Budget	FY25 Senate Budget
3000-1020	Quality Improvement*	\$47.6	\$47.6	\$53.6
3000-1000	Workforce Related Earmarks**	\$0	\$28	\$0
3000-6025	CPPI Pre-K Initiative	\$17.5	\$15.0	\$17.5
1596-2412	CPPI Pre-K Initiative	\$21.0	\$0.0	\$15.0
3000-6075	Mental Health	\$5.0	\$5.0	\$5.0
3000-7066	Career Pathways	\$10.0	\$10.0	\$0.0
3000-7055	Neighborhood Villages	\$1.0	\$1.0	\$1.0
TOTAL		\$114.3	\$118.8	\$104.7

*Licensing and other quality support staff also funded

** The House budget proposal includes 3 near earmarks within the agency’s administrative line-time to support loan forgiveness, higher education scholarships and child care financial assistance for early education and care staff

House and Senate Budget Proposals: Highlights

House

- **\$475 million** to fund C3
- **\$20 million** to increase Child Care Financial Assistance rates, in addition to **\$65 million** rate increases implemented this fiscal year
- **\$28 million** for CCFA access and accessibility, including **\$8 million** for staff working in early education and child care settings
- **\$2.5 million** increase for Head Start
- **\$10 million** maintained for Career Pathways
- **\$10 million** for a new higher education early educator scholarship program
- **\$10 million** for a new loan forgiveness program

Senate

- **\$475 million** to fund C3
- **\$20 million** to increase Child Care Financial Assistance rates, in addition to **\$65 million** rate increases implemented this fiscal year
- **\$80 million** for CCFA access and accessibility
- **\$15 million** increase for CPPI
- **\$3.5 million** increase for Head Start
- **\$2.5 million** for employer-sponsored child care pilot
- **\$6 million** for Summer Step Up

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Commonwealth Cares for Children (C3) Program Update and Planning for FY25

C3 Overview

For nearly three years, [Commonwealth Cares for Children \(C3\)](#) has served as a vital source of financial stability for the state's rebounding early education and care sector, providing monthly payments to approximately 8,323 licensed and funded child care programs across the state.

Since its launch, C3 funding has helped to support:



Stabilizing operational expenses and maintain capacity for working families



Addressing some of the challenges that the sector faces with recruiting and retaining educators and staff through new investments in the workforce including increased compensation, benefits, and professional development



Mitigating the need for tuition/fee increases in the face of significant rising costs, benefiting a broad range of working families



Sustaining and building the quality of services and education that families with young children need to work and thrive

C3 has been a critical support for the field

Through C3 participation and ongoing surveys, EEC has an unprecedented understanding of programs' needs and progress across the diversity of the system.

Tracking Changes Over Time



Program Stability

- License capacity exceeds pre-pandemic levels
- Some programs rely heavily on C3 funding to sustain operations



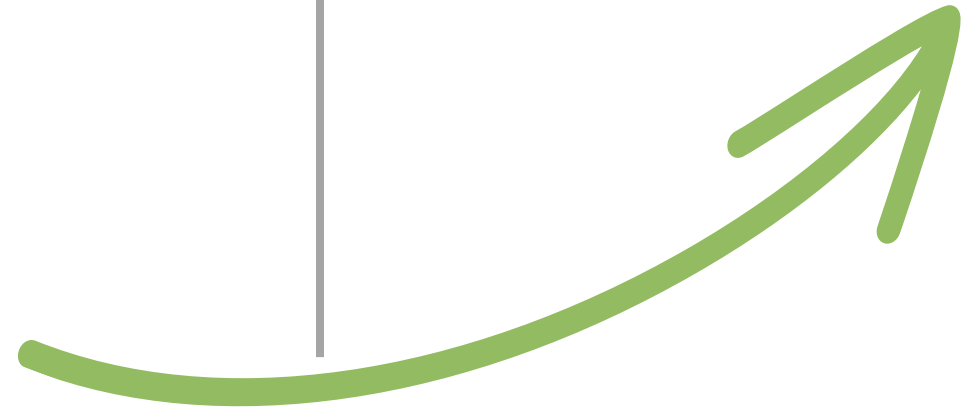
Workforce Supports

- Educator compensation has grown during the C3 period



Family Access

- Programs report using C3 funds to maintain affordability for families



Two Stage FY25 Implementation

- **Interim plan (July-September)**
 - Keep grant funding flowing to programs
 - Maintain May/June funding tiers and approach
 - Begin quarterly process of admitting new programs in July
- **New formula effective October/ November**
 - Have identified core components to include
 - To be finalized based on final budget language

C3 Goals for FY25

- **Recognize C3 as a critical funding mechanism for the early education and care sector** that provides ongoing operational resources to programs.
- **Maintain C3 universality** to sustain and expand capacity to serve working families, invest in workforce and program quality, and build a system that is more accessible and affordable for all families.
- **Provide more equitable distributions aligned with expected costs and enrollment** to better support all programs serving infants and toddlers, providing longer hours, etc.
- **Direct additional funding to programs that serve low- and moderate-income working families** including supporting and incentivizing programs to serve children that receive EEC Child Care Financial Assistance (CCFA).
- **Ensure funding predictability and flexibility** at the state and individual program level for planning and budget management.

Proposed C3 Formula for FY25

Base Rate

Equity Adjustment

License Capacity (adjusted by % enrolled)

X

Differential Rates Based on Youngest Age Served (Center-Based) or Staffing (Family Child Care) and Hours of Operation

X

Based on Program Tier

Based on cost models, this part of the formula recognizes differential gaps between revenue and costs faced by programs serving children of different ages and operating full or part time.

This part of the formula recognizes programs serving children with CCFA, other financial scholarships provided to families, and those in a very low opportunity area.

FY25 Base Rates for Different Program Types

- Proposed rates based on the following information from cost modelling:
 - Recommended staffing based on ages/program type served
 - Proposed higher salaries
 - Other costs associated with each program type
- Aligned with identified gaps between costs and revenues identified by the cost models
 - Center-based programs (full- and part-time rates for each program type below except school age, part time = <25 hours per week)
 - Programs serving infants as youngest age group
 - Programs serving toddlers
 - Programs serving preschoolers
 - Programs serving (only) school age
 - Family child care programs (full- and part-time rates for each program type below)
 - Programs with full-time assistant
 - Programs with part-time assistant
 - Programs without an assistant

Proposed C3 Tiers for FY25

EEC proposes building upon the FY24 C3 tiers by making a few key adjustments. This includes recognizing affordability measures beyond CCFA participation, better incorporating geographic equity, and encouraging CCFA participation.

- **Tier 1:** 25% or more receiving CCFA or Head Start programs
- **Tier 2:** 1-25% children receiving CCFA or;
 - Programs that provide meaningful % of non-CCFA scholarships for their educators or needs-based financial assistance for families; or
 - Programs located in communities with lowest resources for children (using new place-based metric outlined in Appendix) to recognize that CCFA system is not yet covering the whole state equitably.
- **Tier 3:** Programs that do not meet criteria for Tiers 1 or 2
- **Allow for flexibility in fund allocation between tiers** to recognize shifts in CCFA enrollment over time, incentivize increased participation in CCFA, and maximize all available C3 funding.

Summary of C3 Adjustments Proposed for FY25

Further differentiate per child base rates used to distribute funding to align with proportionate gap between program costs and revenues for different program types in EEC cost models

- Takes into account ages served (for centers), size (for FCCs), and hours of operation.
- Will result in some shifts to program funding levels within tiers.

Adjust per slot payments based on reported enrollment

- For program enrollment >85% of licensed capacity programs would receive full per slot allocations
- For those below this benchmark, per slot payments would be prorated by actual enrollment

Replace Social Vulnerability Index (SVI) with Child Opportunity Index (COI) as place-based metric

- Replace SVI – a tool used to measure a community’s vulnerability to disasters – with the COI, which specifically focuses on the quality of local resources and conditions that impact children’s healthy development (see Slide 11 for additional details).

Lower the CEO compensation ratio threshold

- Lower the ratio of CEO compensation to lowest paid educator above which funding is reduced to encompass consistently the largest multi-state providers

Set consistent monthly C3 payments so that funding levels are stable and predictable

- Set fixed payments based on fall program data and hold payments constant for the remainder of the fiscal year.

Open C3 to newly licensed providers quarterly

- Set aside funds at beginning of year for new programs to be able to enter quarterly, and if the projected obligation to new programs exceeds available funds, EEC would close access.

Continue administrative improvements introduced in FY24

- Maintain quarterly deadlines for recertification

EEC plan is responsive to issues identified by both the House and Senate

- Fund use language is aligned with both House and Senate language
- Proposes a ***simplified formula informed by an understanding of costs*** developed from cost modelling and attends to program characteristics called out in Senate bill
- ***Sustains universal eligibility but uses a tiered funding structure*** to provide differential funding to those supporting low income families through child care financial assistance following priorities identified by both the House and the Senate.
- ***Lowers the CEO compensation ratio threshold*** to continue limiting funding for very large corporations with significant compensation inequities



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Residential Regulations Reforms Update

Overview of Residential Programs

EEC licenses residential care programs, foster care placement agencies, and adoption agencies operating in Massachusetts. These programs provide services to thousands of children, young adults, and families.

Residential Programs

- Serve youth up to age 18 (or 22 if there are special needs)
- Youth attending these programs tend to have behavioral health needs or are otherwise in need of additional support
- Provide care and housing for children and youth in a facility setting outside of their family home

Group Care Programs



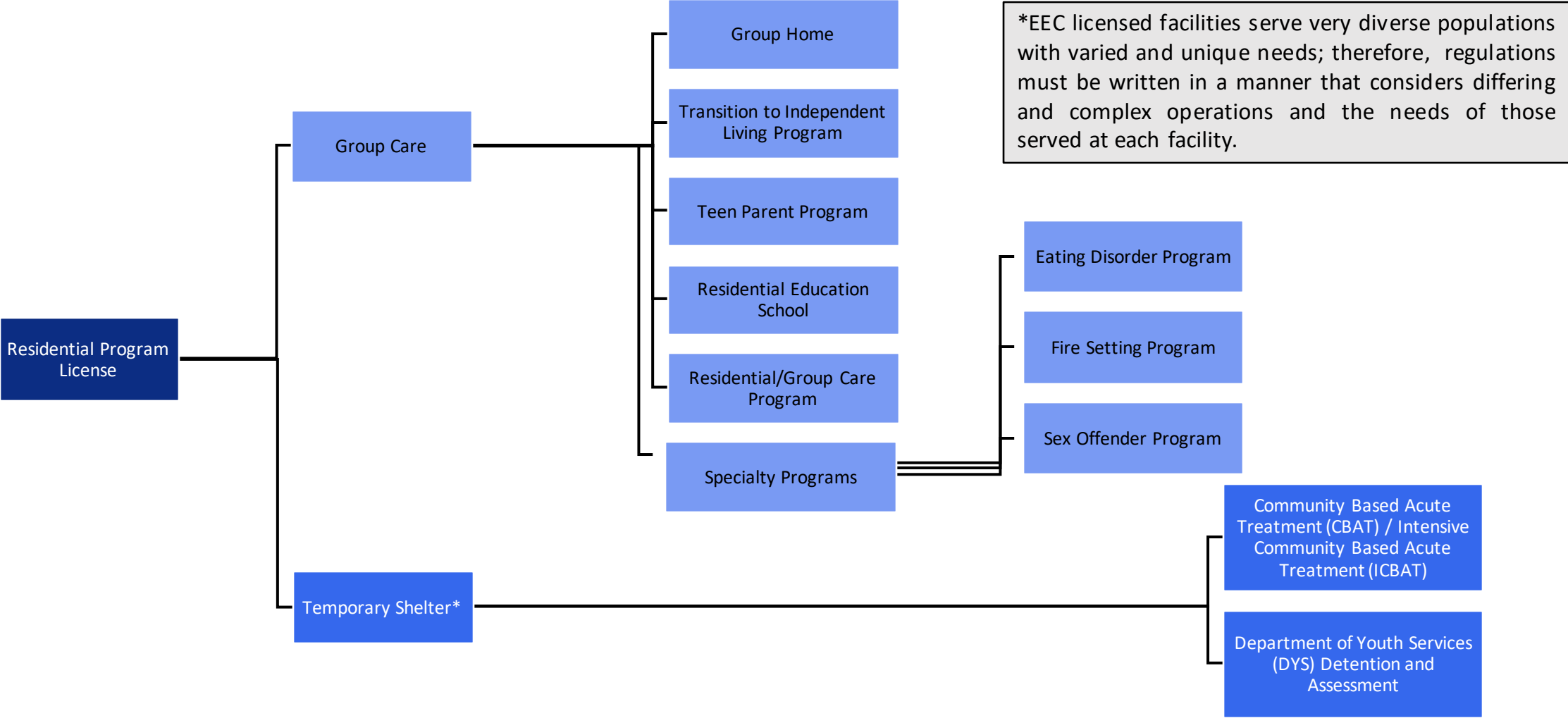
- Serve children in a residential setting for more than 45 days
- Includes multiple types of care
- 311 currently licensed programs
- Licensed Capacity – 5,286



Temporary Shelter Programs

- Provide residential care and services to children under 18 for less than 45 days
- Provide specialized care, including clinical services and community-based acute treatment (CBAT)
- 23 Currently licensed programs
- Licensed Capacity - 345

Types of Residential Programs



*EEC licensed facilities serve very diverse populations with varied and unique needs; therefore, regulations must be written in a manner that considers differing and complex operations and the needs of those served at each facility.

*Temporary Shelter Licenses are for 45 days or less



FRAMEWORK FOR REGULATORY REVISIONS

Partners and Collaborators

Department of Elementary and Secondary Education (DESE)



Medical Insurance (CBAT/IBAT)

Department of Children and Families (DCF)



Local Education Agencies (LEA)

Department of Youth Services (DYS)



Department of Mental Health (DMH)

EEC provides regulatory oversight and has licensing responsibility for residential programs and placement agencies. Other state agencies and external partners have different and sometimes overlapping roles in these systems.

Parents, guardians, families and the youth we serve are the most vital partners.

Purpose of Regulatory Revisions

[606 CMR 3.00](#) govern EEC's oversight and licensing of residential programs. These regulations have not seen a comprehensive revision since **1995**.

- There have been targeted revisions since that time, most recently in **2015** to eliminate prone, mechanical, and chemical restraints on children.

Goal

Through this revision process, EEC intends to:

Review and revise the residential regulations. These efforts are intended to further improve the regulations for residential programs and foster partnerships that promote a collaborative effort to enhance safe, supportive, unbiased environments in which the youth served can meet their highest potential.

Our approach centers around consideration and **inclusion of the voices** of those that the regulations will directly impact.



Our work is influenced by the following overarching objectives:

The **engagement of external partners**; including parents/guardians, youth, state agency partners, and residential provider partners, and inclusion of their voices.



Alignment with other regulatory bodies and state agencies.

Efforts to ensure that regulations are **inclusive, unbiased, and designed with the needs of children and youth served at the forefront.**



Further **incorporation of the *Strategic Action Plan*** to reflect goals for equity, quality, health and safety.

Updating language throughout the document to be clear, concise and reflect current best practices and standards of care.



Promoting **transparency** and continued work towards achieving excellence.

Coordinating across policies, procedures, and systems to promote successful practical application in the field.



Supporting a skilled workforce.

Areas of Reform: Residential Programs

EEC has already identified many challenges facing residential programs as a result of the current regulations. These, in addition to feedback received through stakeholder engagement, will serve as the foundation for the revisions.



Center the experience of the **youth and families** that are served by these programs.



Eliminate provisions that are **outdated** or no longer applicable.



Streamline to ensure better **efficiency** and less duplication.



Research and evidence-based best practices to inform revisions and recommended policy changes.



Minimize financial impact and added costs on programs.



Key Changes

R&P programs provide 24-hour care and services to the most vulnerable and at-risk youth, and families across the Commonwealth. EEC is committed to continuing to safeguard the health and safety of children in treatment while enhancing the quality of life and care for youth in care across the Commonwealth.

Proposed Key Changes to Residential Regulations: 606 CMR 3.00

- 1 Promotion of continued family engagement
- 2 Thoughtful transparency, e.g.: public posting of non-compliance, accountability
- 3 Workforce development, including initial and ongoing training requirements
- 4 Updates to behavior supports to reflect best practices and a more positive, proactive, supportive approach
- 5 Updates to minimum hiring requirements
- 6 Inclusive language focusing on diversity, equity, inclusion
- 7 Requirements for continuous quality improvement (CQI)
- 8 Creation of a more accessible, user-friendly "companion document" to supplement regulations

Stakeholder Engagement

Licensing Team

Obtained critical information from licensing staff regarding the relevant practical application of regulations.

Other State Agencies

Engage partner agencies who work with R&P programs across the Commonwealth.

Residential Program Survey

Dispersed online survey to residential providers and stakeholders.



Parents, Guardians & Families

Engage family focused sessions to obtain essential feedback and experiences.

Youth Advisory Boards

Obtain critically important information from a youth perspective and voice.

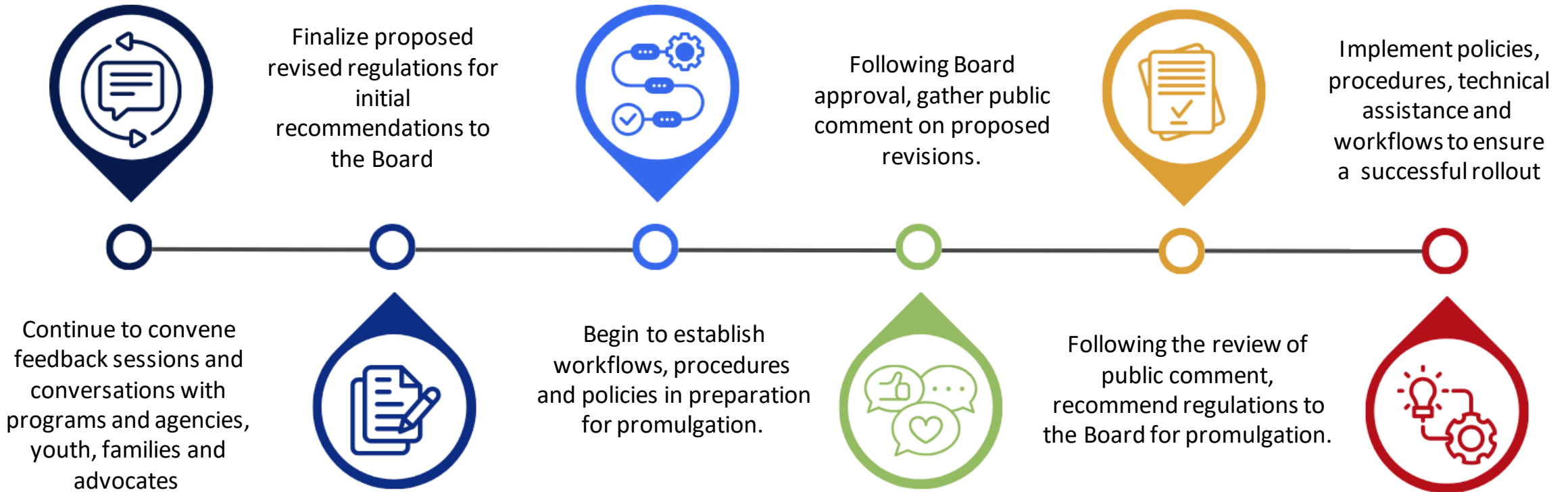
Partner Agency Engagements

Host sessions with R&P programs and partners in the field. Obtain critical feedback from the field.

Current Progress



Next Steps





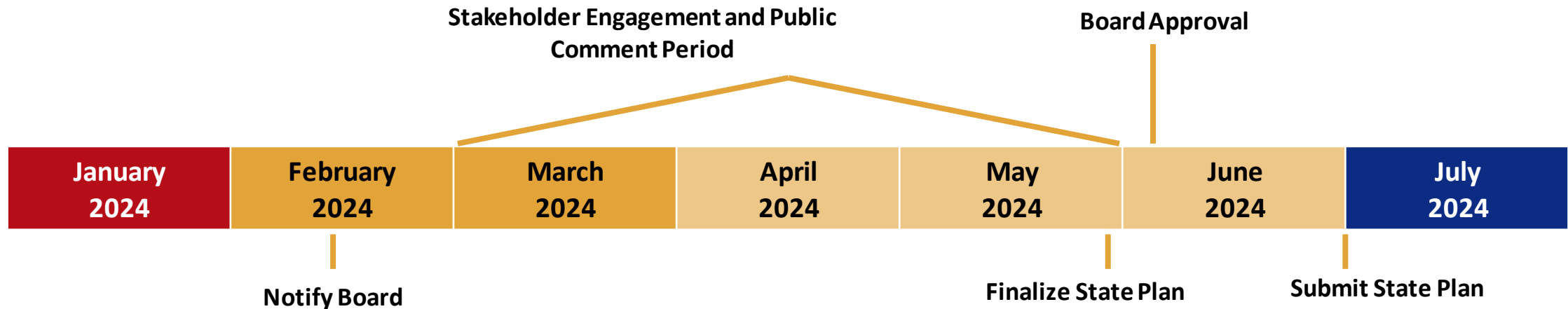
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Child Care and Development Fund (CCDF) State Plan

FY25-27 CCDF State Plan: Scope & Timeline

The Office of Child Care (OCC) requires the agency to meet requirements and report on activities, progress, spending and programing in the following areas:

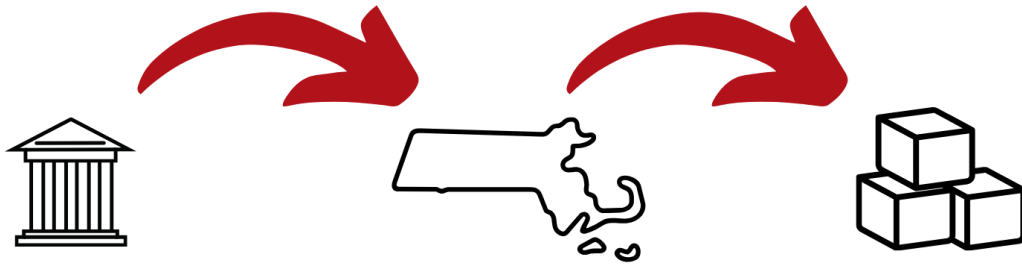
1. CCDF Program Administration
2. Child and Family Eligibility and Enrollment and Continuity of Care
3. Child Care Affordability
4. Parental Choice, Equal Access, Payment Rates, and Payment Practices
5. Health and Safety of Child Care Settings
6. Support for a Skilled, Qualified, and Compensated Child Care Workforce
7. Quality Improvement Activities
8. Lead Agency Coordination and Partnerships to Support Service Delivery
9. Family Outreach and Consumer Education
10. Program Integrity and Accountability



CCDF Background & Overview

Child Care and Development Fund (CCDF) BACKGROUND

The Child Care and Development Fund (CCDF) is a federal and state partnership program authorized under the Child Care and Development Block Grant Act (CCDBG) that provides federal funding for child care subsidies to help eligible low-income families access child care and improve the quality of child care for all children. States use CCDF to also invest in initiatives including building the skills and qualifications of the workforce, supporting programs to achieve higher standards, and providing consumer education to parents.



Just under 50% of EEC's budget in FY23 was direct federal funding or tied indirectly to federal funding through either the CCDF or TANF block grants.

CCDF Plan

Defines how states or territories will administer CCDF in alignment with the requirements of the CCDF final rule and the Child Care and Development Block Grant Act statute.

- The Office of Child Care (OCC) requires that the State Plan be updated every three years
- Current plan cycle, October 2021-September 2024
- Our next plan, due July 1, 2024, will be in effect from October 2024 – September 2027

EEC is required to work with stakeholders to draft the plan and the Board is required to vote on the plan before it is submitted to our federal partners.

Purposes of the CCDF State Plan

Why
(Compliance)

Confirm and validate that lead agencies are following key CCDF policies

What
(Transparency)

Collect key data on the CCDF policies to provide a full understanding of program

How
(Planning)

Lead agencies build on CCDF policies to address needs, meet goals, and work with partners. EEC does this through our Strategic Objectives.

EEC Strategic Objectives

In partnership with families, educators, programs and other stakeholders, EEC will use data driven decision-making to inform work around the following objectives:



FAMILY ACCESS

Families have equitable access to quality and affordable early education and care in the communities in which they live, learn, and work.



PROGRAM QUALITY

Programs licensed or funded by EEC support children's health and safety and provide high quality environments that are culturally responsive, inclusive, and support children's learning and development in partnership with families.



PROGRAM STABILITY

Programs licensed or funded by EEC are operationally stable and financially sustainable.



WORKFORCE SUPPORTS

A diverse field of educators, leaders, and program staff is competitively compensated and supported by clear professional pathways that promote quality, retention, and advancement.



AGENCY INFRASTRUCTURE

EEC has sufficient internal capacity, organizational structures, and diverse perspectives and expertise to carry out its mission and strategic objectives.

EEC Objectives & State Plan Alignment



FAMILY ACCESS

Families have equitable access to quality and affordable early education and care in the communities in which they live, learn, and work.



PROGRAM STABILITY

Programs licensed or funded by EEC are operationally stable and financially sustainable.

State Plan Sections:

2. Child and Family Eligibility and Enrollment and Continuity of Care
3. Child Care Affordability
4. Parental Choice, Equal Access, Payment Rates, and Payment Practices
9. Family Outreach and Consumer Education

State Plan Sections:

1. CCDF Program Administration
4. Parental Choice, Equal Access, Payment Rates, and Payment Practices
8. Lead Agency Coordination and Partnerships to Support Service Delivery
10. Program Integrity and Accountability

EEC Objectives & State Plan Alignment (cont.)



PROGRAM QUALITY

Programs licensed or funded by EEC support children's health and safety and provide high quality environments that are culturally responsive, inclusive, and support children's learning and development in partnership with families.

State Plan Sections:

5. Health and Safety of Child Care Settings
6. Support for a Skilled, Qualified, and Compensated Child Care Workforce
7. Quality Improvement Activities



WORKFORCE SUPPORTS

A diverse field of educators, leaders, and program staff is competitively compensated and supported by clear professional pathways that promote quality, retention, and advancement.

State Plan Sections:

6. Support for a Skilled, Qualified, and Compensated Child Care Workforce

Key Initiatives Across EEC Strategic Objectives

Child Care Financial Assistance (CCFA)

- Regulation & Policy Reforms Implementation
- Rate Increase & Reforms
- Early Education Staff Access

Expanding Access to High Quality Preschool

- Community Preschool Partnership Initiative (CPPI)
- Early Literacy/Literacy Launch

Workforce Development

- Educator Credentialing & Certification
- Strengthening Partnerships with Higher Education for Career Pathways
- Apprenticeship Programs
- DHE/EEC Scholarship Improvements

Supporting Program Quality & Stability

- Commonwealth Cares for Children (C3)
- Continuous Quality Improvement
- Facilities Improvements

Health and Safety Standards

- Residential Licensing Regulation Revisions
- Child Care Licensing Regulation Revision
- Ongoing Modernization of BRC System

IT System Development and Modernization

- Future Tech Act & CCFA System Upgrades

KEY



Family Access



Program Stability



Program Quality



Workforce Supports

State Plan Engagement, Feedback, & Vote

2/14/24	EEC Board Meeting	5/6/24 – 6/5/24 Feedback Form Submissions Accepted
3/7/24	Advisory & Workforce Advisory Committee Meeting	
4/5/24	Massachusetts Head Start Association Directors' Meeting	
4/9/24	Community Preschool Partnership Initiative (CPPI) 'Tuesdays at 2' Grantees Meeting	
5/22/24	EEC Public Hearing	
6/12/24	EEC Board Meeting	



6
Engagement
Sessions



70
Comments
Received



23
Organizations
Represented



12
Accolades

Vote: The Department of Early Education and Care recommends that the Board, subject to revision by the Commissioner, approves the Department's process to finalize the Commonwealth's CCDF State Plan for federal fiscal years 2025-2027, and authorizes the Department to submit the finalized CCDF State Plan to the Administration for Children and Families on or before June 30, 2024 on its behalf.

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2024 CCDF Final Rule

CCDF Final Rule Background

Rulemaking is the policy making process for Executive and Independent agencies of the federal government used to develop and issue rules also referred to as regulations.

What is a final rule?

A final rule is a federal administrative regulation that either implements a new or revised federal agency regulation or requirement or rescinds a previous regulation.

The **2024 CCDF Final Rule** provides updates to regulations and policies within 45 CFR Part 98 of the Child Care and Development Fund to help families afford child care and better support child care providers in the essential work they do. <https://www.acf.hhs.gov/occ/outreach-material/2024-ccdf-final-rule>

Effective Date: April 30, 2024

States not in compliance with the rule may request a waiver for an extension of up to two years if needed to come into compliance. Waivers must be submitted by November 30, 2024.

2024 CCDF Final Rule Overview

The provisions of this rule are outlined as required and encouraged requirements that seek to lower family costs, better payment practices for providers and make enrollment easier and faster for families. The final rule also includes technical and other changes to improve clarity and program implementation.

Benefits of Rule

For Families



Lower child care **cost**



More child care **options**



Easier and **faster enrollment**

For Providers



More **stabilizing payment** practices



Payments more **aligned to cost**



Easier to participate in CCDF/Child Care Financial Assistance

FY24 CCDF Final Rule Requirements



Co-pays capped at 7% of family income



Pay providers prospectively



Pay by enrollment to providers



Some grants/contracts for infants and toddlers, children with disabilities, and underserved areas



Build nontraditional hour supply



Eligibility policies minimize disruption to families

Waiver required

Waiver required

Current CCFA practice

Populations served through contract provider contracts

Contract provider procurement

CCFA Regulatory and policy reform

EEC Status

FY24 CCDF Final Rule Encouragements



Waive co-pays between 100-150% FPL

Fees waived for up to 100% of FPL



Waive co-pays for children with disabilities

Requires policy change



Waive co-pays for families experiencing homelessness

CCFA regulatory and policy reform



Waive co-pays for children in foster care

Existing policy



Waive co-pays for children in Head Start

Requires policy change



Pay providers full established rate

Current policy



Presumptive eligibility

CCFA regulatory and policy reform



Use other benefit program doc. for enrollment

Current DTA/ DCF policy

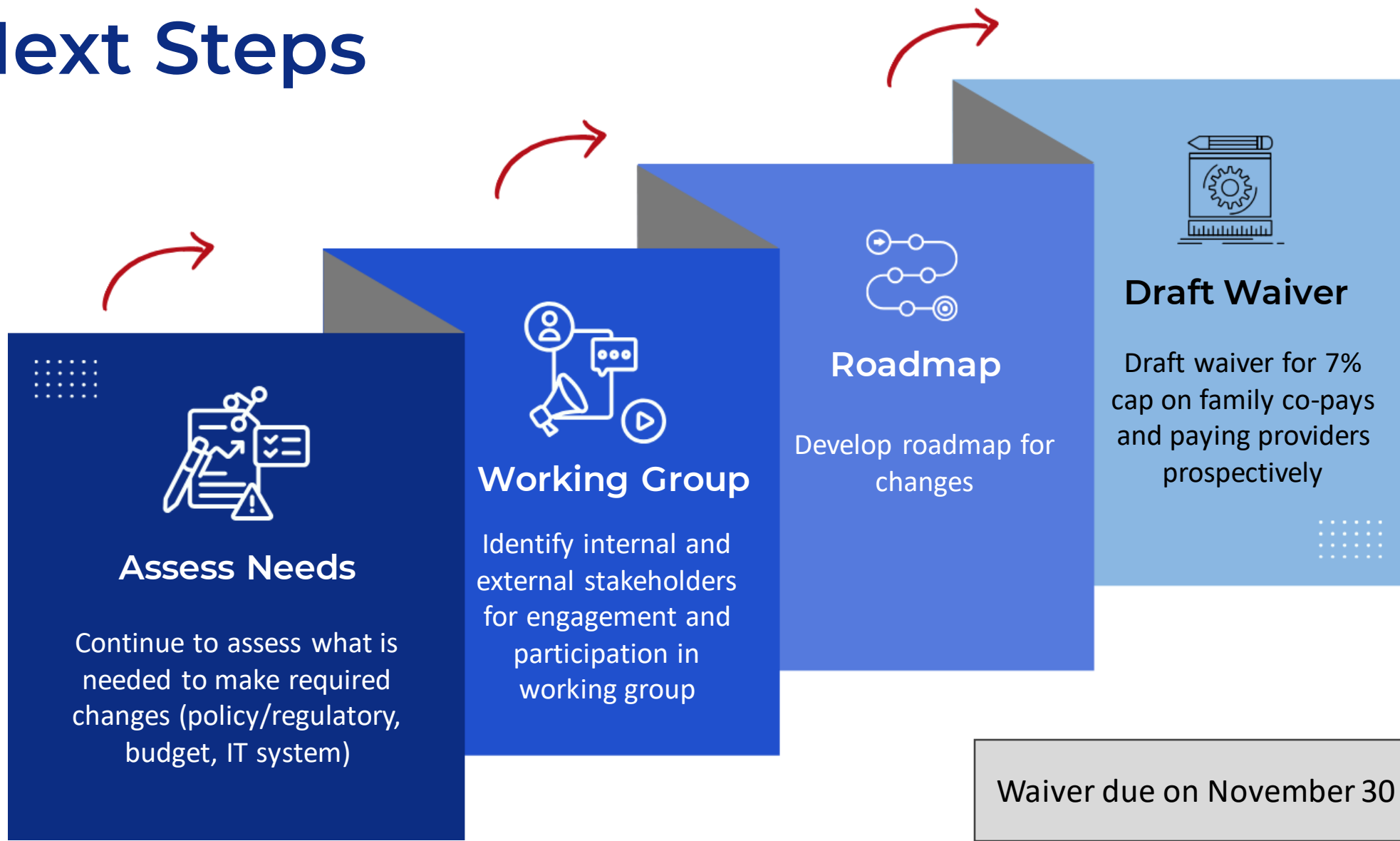


Online enrollment procedures

Digital Application & Case Tracker Pilot

EEC Status

Next Steps



Appendix

EEC Budget by Appropriation (in millions)

Line Item & Fair Share	Description of Purpose and Investment	FY25 Gov's H.2	FY25 House	FY25 Senate	House vs. H.2	Senate vs. H.2
Administration	Funds staff positions and six offices across the Commonwealth	12,189,926	40,218,027	12,639,926	163%	4%
Quality Supports	Funds monitoring and licensing activities, quality supports, coaching and technical assistance for programs and educators in the child care system	47,603,764	47,603,764	53,603,764	0%	13%
Access Management	Funds child care resource and referral activities, as well as a statewide parent hotline	20,000,000	20,000,000	20,000,000	0%	0%
Child Care Financial Assistance	Supports financial assistance for eligible children enrolled in child care, including a rate reserve and child care financial assistance waitlist remediation effort, and inclusive of Early Education and Care Staff Program	893,775,368	848,775,368	898,775,368	-5%	1%
CCFA Rate Increases	Provides funding to increase daily reimbursement rates to programs participating in EEC's Child Care Financial Assistance program	20,000,000	20,000,000	20,000,000	0%	0%
Grants to Head Start	Supports a grant to all Head Start grantees in MA to help meet their non-federal match	15,000,000	17,500,000	18,500,000	17%	23%
Commonwealth Preschool Partnership Initiative (CPPI)	Funds 21 communities across the state in an innovative funding partnership between the LEA and local child care providers, inclusive of Summer Step Up Program	38,673,127	15,000,000	32,523,127	-61%	-16%
Mental Health Consultation	Funds access to mental and behavioral health consultants for coaching and technical assistance to child care providers	5,000,000	5,000,000	5,000,000	0%	0%
Community and Family Engagement	Supports a network of 81 community collaboratives designed to provide parenting resources and supports to all families in every community, inclusive of Parent Child Plus programs	15,859,190	15,859,190	16,109,190	0%	2%
Neighborhood Villages	Funds a pilot program to provide high-quality economically-integrated infant and toddler classrooms	1,000,000	1,000,000	1,000,000	0%	0%
Higher Education - Career Pathways	Supports a targeted initiative across all the network of state community colleges to develop credit-bearing CDA course work to increase the supply of qualified educators	10,000,000	10,000,000	0	0%	-100%
Reach Out and Read	Supports Reach Out and Read, a pediatric literacy intervention program which trains doctors, nurse practitioners, and other medical professional to incorporate evidence-based model into regular pediatric checkups	1,000,000	1,000,000	1,000,000	0%	0%
Commonwealth Cares for Children (C3)	Ongoing monthly payments to support operating costs for all EEC-licensed child care providers	475,000,000	475,000,000	475,000,000	0%	0%
Employer Sponsored Child Care		0	0	2,500,000	0%	NEW

FY25-27 CCDF State Plan Sections & Topics

The Office of Child Care (OCC) requires the agency to meet requirements and report on activities, progress, spending and programing in the following areas:

- 1. CCDF Program Administration** – Identifies the Lead Agency, Lead Agency leadership, and the entities and individuals who will implement the program. Identifies the partners consulted in Plan development.
- 2. Child and Family Eligibility and Enrollment and Continuity of Care** – Identifies how Lead Agencies define eligible children and families and how the Lead Agency improves continuity for eligible children and families.
- 3. Child Care Affordability** – Includes determining an eligible family’s co-payment, and the policies in place to waive or make co-payments affordable for families.
- 4. Parental Choice, Equal Access, Payment Rates, and Payment Practices** – Addresses access to the full range of providers available; adequate payment rates for providers, payment practices that fairly support providers; differential payment rates; and supply building strategies.
- 5. Health and Safety of Child Care Settings** – Addresses CCDF health and safety requirements, State/Territory licensing requirements and exemptions, and policies for comprehensive background checks.
- 6. Support for a Skilled, Qualified, and Compensated Child Care Workforce** Addresses State and Territory efforts to support the child care workforce, the components and implementation of the professional development framework, and early learning and development guidelines.
- 7. Quality Improvement Activities** – States and Territories will describe the types of activities supported by quality investments over the 3-year period.
- 8. Lead Agency Coordination and Partnerships to Support Service Delivery** Identifies who the Lead Agency collaborates with to implement services, how match and maintenance-of-effort funds are used, coordination with child care resource and referral systems, and efforts for disaster preparedness and response plans in response to emergencies.
- 9. Family Outreach and Consumer Education** – Addresses consumer education practices, including details about child care consumer education website, and the process for collecting and maintaining a record of parental complaints.
- 10. Program Integrity and Accountability** – Describes Lead Agencies’ internal controls and how those internal controls effectively ensure integrity and accountability.

2023 Progress – End of Year Review



Continued Investment in Agency Capacity & Structure

- Building on the new organizational structure set in 2022, filled over 50 key positions to further actualize the strategic action plan with a focus on equity and inclusion
- Recruitment and hiring in key areas: product management, research and data analytics, workforce support and development, family engagement and child care financial assistance
- Approved to add 28 new positions in FY24, which EEC is actively working to post and hire now

Modernizing Background Records Checks

- Continued modernization of EEC’s Background Record Checks system to bring Residential and Placement programs (R&P) into the state’s Navigator system and added an out-of-state background records check for residential program candidates
 - New average processing time for submissions: Placement Agencies = 1 day and 21 hours; Residential Programs = 4 days and 23 hours
- Launched one background record check consent form for all program types
- Planning for retirement of the Legacy system

Reimagining Child Care Financial Assistance (CCFA)

- Launched significant reforms to CCFA regulations and interim policies to simplify the application process, reduce paperwork, and better support homeless families, families with disabilities and families facing domestic violence
 - EEC is currently half-way through a comprehensive training program for Family Access Administrators on the changes
- Launched new family facing web pages at Mass.gov/CCFA
- Procured new contracts for resource and referral services with Child Care Resource and Referral agencies
- Kicked off procurement activities for Income-Eligible, Supportive, Homeless and Young Parent program contracts
- Simplified Child Care Resource and Referral Agency regions to streamline process for families/providers and align with licensing regions
- Launched text messaging to families in English/Spanish when financial assistance becomes available to streamline the application process
- Conducted outreach to families on the waitlist to ensure it is up-to-date
- Implemented an historic \$80M increase to the daily reimbursement rates to providers who serve families receiving CCFA

2023 Progress – End of Year Review

Supporting ECE Providers and Educators

- Career Pathways
 - Launched optional Director certification (currently available statewide), and Teacher/Lead Teacher in Western MA (others following)
 - Drafted competencies for the educator credential aligned with quality domains
 - Moving all EEC PDC professional development opportunities to EEC's StrongStart Online Professional Development System
- Access to Higher Education
 - In collaboration with DHE, revising the ECE Higher Education Scholarship Program to improve accessibility and expand eligibility
 - Partnership with MACC and Career Pathways grantees to expand credit for prior learning
- Workforce Pipeline
 - Hosted 3 Apprenticeship Convenings to identify opportunities for EEC investment
 - Enrolled fourth cohort of ECSO (27 programs, 156 classrooms) to provide intensive support for center-based program directors
 - Stable and Competitive Employment Opportunities
 - Continued C3 funding reaching 8,197 providers
 - Application data shows salary increases since 2021
 - ECE Staff Pilot providing access to child care financial assistance for 1,252 educators with 1,759 children
 - Added in LEAD a voluntary way for family child care assistants looking for employment to connect with providers who are hiring
- Expanded Program Supports
 - Expanded CPPI communities to a total of 21 working to expand local preschool access
 - Invested additional \$1.5 million in early childhood mental health consultation services (through ECMH grant)
 - Announced \$300,000 in Massachusetts FRESH grants for schools and early education and care programs
 - Awarded \$8.5 million to 20 organizations across the Commonwealth in FY23 EEOST capital funding
 - Administration's FY24-28 Capital Plan increases EEOST funding by \$4 million a year each year
 - Opened applications for \$14.3 million in capital funding for early education and care programs, first time includes for-profit programs

Foundational Regulatory Review

- Launched regulatory review process for EEC's R&P programs, as well as child care licensing