

Overview of Webinar

On June 14, 2021, the Child Care State Capacity Building Center's Emergency Preparedness and Disaster Response and Recovery team hosted a webinar. The purpose of this webinar was to discuss the Region I Common Framework, which was developed in response to federal funding designed to support the child care sector through the coronavirus disease 2019 (COVID-19) pandemic. This handout summarizes key information from the webinar.

The webinar explored how Child Care and Development Fund (CCDF) Administrators in Region I came together to conceptualize a common framework for the disbursement of federal stimulus funds. These funds are critical to child care providers who have experienced financial and operational hardships due to COVID-19.

Although the COVID-19 pandemic affected each jurisdiction differently, CCDF Administrators and staff members from Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont came together to identify common goals and principles for recovery. This collective thinking helps leverage funds in ways that lead to long-term improvement of the early childhood system across New England.

During the webinar, Region I CCDF Administrators from Connecticut, Maine, Massachusetts, and Rhode Island described why they came together and how their framework supports provider grants with planning, communication, and implementation efforts. CCDF Administrators also offered overviews of their available provider supports and shared how the framework has helped their decision-making.

CCDF Lead Agencies Participating in the June 14 Webinar

- Connecticut Office of Early Childhood (CTOEC)
- Maine Department of Health and Human Services (MDHHS)
- Massachusetts Department of Early Education and Care (MADEEC)
- Rhode Island Department of Human Services (RIDHS)

Overview of Region I Common Framework

Origins

As the pandemic evolved, leaders from the six states met frequently, often weekly, to discuss state-specific impacts of COVID-19. Through these discussions, they identified common needs and goals for their CCDF programs and developed the Region 1 Common Framework. This framework was used as the introduction to the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act 60 Day Reports for many of the Region 1 states. [You can find the 2021 CRRSA 60 Day Reports by following this link.](#) The Region 1 Common Framework is also being used with the American Rescue Plan (ARP) Act work.

Goals

The Region I CCDF Administrators met to discuss COVID-19 response and recovery, as well as the use of federal dollars to stabilize and rebuild the New England child care industry. They shared common findings and learning and discussed employers' and families' collective needs that a collaborative framework could better

support. The framework was informed by parent, family, and employer demand; information from each state; and lessons learned from working with Coronavirus Aid, Relief, and Economic Security (CARES) Act or state supplemental funds.

New England states aligned to a common framework for disbursing CCDF federal aid that is equitable, expedient, responsive, and in compliance with federal regulations. They ensured that the application materials, technical assistance, and grant requirements were streamlined and consistent across the Region.

Assumptions

First, the Third Sector Capital Partners' approach was used as a part of the common framework for grant disbursement and issuing stipends to child care programs. Then, the Region I states committed a minimum of 65 percent of child care relief funds to the common framework for grants. Region I states had autonomy with the remaining 35 percent of funding to allocate it in a manner that was deemed appropriate in their respective jurisdictions.

Components of the Region 1 Common Framework

There are five key strategy areas in the Region 1 Common Framework. These key strategies illustrate the focus on long-term capacity and system building across the region.

- Economic recovery and stabilization for the child care system
 - CCDF federal stimulus dollars will be leveraged to ensure child care providers receive immediate relief to support their programs' operations and ensure continuity of quality care for children.
 - Funds will be issued equitably, ensuring small business owners receive comparable relief funds needed to maintain operations.
- Family demand, utilization, and access
 - New England will evaluate and understand families' evolving needs as a result of the COVID-19 pandemic and leverage these data to inform the Region's efforts to stabilize and ultimately rebuild New England's child care system.
- Workforce support and compensation
 - The Region will focus on educating and partnering with the child care industry to honor their child care educators and staff as the critical and most important investment to their infrastructure.
- Federal and state compliance
 - All grant making will meet federal and state compliance standards, with focused alignment to federal regulations and guidance from the Administration for Children and Families.
- Capacity-building and piloting new service-delivery models
 - States will consider and design new service-delivery models that reflect families' needs since experiencing disruption and hardship from the COVID-19 pandemic.

Who Is Third Sector Capital Partners?

Third Sector Capital Partners is a nonprofit firm that collaborates with government, funders, and providers to address social needs through Pay for Success and the Social Innovation Fund (SIF). It has the following focus areas:

- Children and families
- Education
- Health
- Homelessness
- Justice
- Workforce development

Categories of Spending and Variables in Methodology

Region I Leads aligned on categories of spending as eligible expenses for stabilization grants. These categories would not be all inclusive, nor required, but serve as a recommended guide for programs to plan for spending. The categories are listed below:

- Personal protective equipment and other mitigation strategies to prevent the spread of COVID-19
- Capital improvement projects
- Occupancy (rent, insurance, mortgage, utilities, and so on)
- Materials and supplies
- Replenishment of lost revenue and reduced enrollment
- Wages and spot bonuses
- Professional development and advanced coursework for early childhood educators

The Region I Leads also aligned on the following variables for fund issuance, with the caveat that metrics and the weight of those variables would differ depending on the state's prioritization criteria and design of the application.

The variables were cost of living, community need and equity, capacity to serve, impact of COVID-19, and quality. While the states aligned on these variables, each state created its own metrics, evaluated the weight of those variables differently, and responded to their stakeholder feedback.

Highlights from Connecticut

- Connecticut is planning cohesively between the two funding streams, using ARP Act funds for stabilization and CRRSA Act funds to cover the cost of family fees.
- The Connecticut Office of Early Childhood (CTOEC) described their funding formula as a base amount and bonuses, which equals the total funding amount. Base funding is an amount per child based on the care available during October 2020, the type of setting, an adjustment to support the supply of infant/toddler care, and a calculation based on the licensed capacity of programs.
- CTOEC is also supporting and recognizing high-quality programs with the federal funds by increasing reimbursement by 20 percent for centers accredited by the National Association for the Education of Young Children and family child care homes accredited by the National Association for Family Child Care. Additional bonuses apply for programs that are approved by Head Start, accepting subsidy, or open during peak pandemic times.
- Using the Social Vulnerability Index (SVI) allowed CTOEC to have a holistic approach when looking at all factors that affect a local community and the needs of families. Connecticut has included Head Start in the stabilization funding opportunity. [CTOEC was able to map child care programs using the SVI](#). This established an equitable lens when distributing funds. SVI mapping is highly correlated with a high percentage of non-White populations and the number of family child care providers. CTOEC identified two levels of need and made two bonuses available using the SVI, a 25 percent and 30 percent bonus based on social vulnerability. The CTOEC SVI map allows providers to search for their facility locations and understand if their program is eligible for an equity bonus based on the Centers for Disease Control and Prevention's SVI score.

- SVI is also being used to map distribution of COVID-19 vaccinations and testing in Connecticut.
- CTOEC raised the state median income to allow more families access to child care subsidy through Care4Kids.
 - The state also passed legislation so that families engaged in higher education programs, workforce training, and high school graduation equivalency certification programs can now access CARE4Kids.
 - CTOEC has provided compensation directly to staff and established safeguards to ensure providers received compensation. During the application process, center-based providers will select if they are willing to spend 25 percent of the funding to increase staff compensation. If a center provider opts in, they will receive 100 percent of funding award. If they do not opt in, they will receive only 75 percent of the funding award. Staff compensation is included in the base amount for family child care providers.
 - Overall, 71 percent of providers have submitted applications, and 98 percent of center-based programs have opted into the staff compensation program.
- CTOEC is establishing a review process for providers who believe that their funding amount was not calculated correctly. Reviews are completed as quickly as possible and no later than 2 weeks after being received. If an error was made, providers can see the change.
- Connecticut was working on early childhood education and care system reform in their state before the pandemic. They are planning for multiple streams of stimulus funds and working with Region I states on the framework to address both short-term and immediate needs. They are also intentionally connecting their long-term vision and using these one-time funds for sustainable change.
- For more information, visit CTOEC’s website, [Child Care Program Stabilization Funding](#).

What Is the Social Vulnerability Index?

The Social Vulnerability Index (SVI) was created by the Centers for Disease Control and Prevention’s Agency for Toxic Substance and Disease Registry.

- SVI uses U.S. Census variables to help local officials identify communities that may need support before, during, or after disasters.
- SVI uses **U.S. Census data** to determine the social vulnerability of every census tract. Census tracts are subdivisions of counties for which the Census collects statistical data. SVI ranks each tract on **15 social factors**, including poverty, lack of vehicle access, and crowded housing, and groups them into four related themes. Each tract receives a separate ranking for each of the four themes, as well as an overall ranking.

Agency for Toxic Substance and Disease Registry. (2021). *CDC/ATSDR social vulnerability index*. U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.

<https://www.atsdr.cdc.gov/placeandhealth/svi/index.html>

Highlights from Maine

- During the initial framework planning, leadership’s direct involvement made planning easier. The Region I Common Framework helped with stakeholder engagement and finalizing the spending plan by showing the similarities and differences among neighboring states.

- Maine is a large state but is not densely populated. Due to pockets of COVID-19 outbreaks, the status of school operations was mixed in the state, with some meeting in person and some meeting remotely. The state dedicated 75 percent of CRRSA Act funds for grants. A portion of funds was used to pay programs based on enrollment and to cover the cost of parent fees.
- The state used the remaining 25 percent of funding on strengthening business practices and expanding the Maine Early Childhood Consultation Partnership (ECCP). ECCP is an infant and early childhood mental health consultation program that addresses the social-emotional needs of children from birth to age 8 by offering support, education, and consultation to the adults who provide care for them.
- The following information is about Maine’s subsidy program:
 - Twenty-five percent of programs are license-exempt (in other words, recreational programs; family, friend, and neighbor care; and so on) and were included in the stabilization grant program.
 - Providers were paid based on capacity, with bonuses for quality rating and improvement system (QRIS) participation through step levels.
 - The state offered a bonus for programs that participated in Maine’s subsidy program as an incentive to providers.
- The application process was simple and included the addition of the framework, which was implemented in four quarters on a rolling basis, with the first payment in April 2021. There is outreach to providers who are eligible for future applications.
- In planning for ARP Act grants, Maine is updating the framework based on guidance from the Administration for Children and Families and continues to collaborate with stakeholders and keep them updated on regional conversations.
 - Under the CRRSA Act, staff compensation was a strongly encouraged use of funds, but staff compensation will be a requirement under the ARP Act.
 - Maine will continue with bonuses based on QRIS level and subsidy participation. Goals are tied to access, quality, and compensation.
- Developing and finalizing plans as quickly as possible is a priority for Maine because, as tourism season begins, there is a higher demand from that industry for access to child care.
- For more information, see [Maine’s Child Care Plan for 2021](#).

Highlights from Massachusetts

- Massachusetts was one of the states that closed child care during the onset of the pandemic. They wanted to support providers with reopening grants and knew that a more robust process would be needed. They began working with Third Sector Capital Partners to identify what data would be needed. While focused on the subsidy providers initially, Massachusetts knew that they would need to move beyond the subsidy program and began to look at the public infrastructure of child care overall.
- Massachusetts used the 16 indicators in the SVI to incorporate community needs into a distribution formula.
- In Massachusetts, all federal funding must go through an appropriations process, and CRRSA Act dollars are continuing through that process. Massachusetts is using a non-appropriation pathway to move the ARP Act stabilization funding forward.

- ARP Act stabilization funding will hopefully begin in July 2021. Massachusetts is working to understand all the variables and hopes to distribute up to 90 percent of these grants.
- Their funding formula uses information collected previously about operating costs and accounts for capacity and prioritizes staffing costs.
- Six months of grants leads to long-term planning, and revision of the child care system is a priority for the state.
- Principles for the Commonwealth Cares for Children (C3) Formula:
 - COVID-19 has reinforced the need for improving business stability for child care and identifying a different model for financing it.
 - The Massachusetts Department of Early Education and Care (EEC) has engaged Third Sector Capital Partners to build a formula methodology that draws on existing work completed by EEC during strategic planning. From there, they will develop an economic model to evaluate the impact of a capacity-based formula grant.
 - EEC has hosted a series of engagement sessions and focus groups to inform the C3 formula design.
 - The formula is available on slide 22 in the [presentation](#) shared by the speaker.
- Technology is a limiting factor; a third-party vendor is building out the systems for management and reporting in an ongoing manner. This is included in the systems-level investment.
- For more information, see the Commonwealth of Massachusetts Department of Early Education and Care [presentation](#).

Highlights from Rhode Island

- Rhode Island found a higher prevalence of COVID-19 in communities of color and high-density communities, which established a need for federal funds to be distributed equitably and based on community need.
- Rhode Island used a monthly stipend and classroom-based stipend approach to administering federal relief funding. They leveraged the work with Third Sector Capital Partners to model out each provider type. There is a small number of relative license-exempt providers, so they designed a methodology for them that also included licensed centers, as well as family and group family child care. Reimbursements were based on reduced or suppressed enrollment, which was most representative of operating costs. The reimbursement also considered the community served and the number of classrooms that are open or could be opened.
- A workforce stabilization bonus was incentivized via a 20 percent bonus to the second month's stipend for center-based programs that committed 20 percent of the first month's stipend to workforce supports, such as wage enhancements, spot bonuses, and so on.
- The CRRSA Act stabilization grant presented an opportunity to collect more informed data on the early childhood workforce for a long-term strategy to support the child care sector. Rhode Island created innovative pilots to redesign and think through early childhood pathways with the Preschool Development Grant Birth through Five. Stabilization funds have helped the state think about how to grow the sector.
 - They are also looking at updating the needs assessments that were initially conducted under the Preschool Development Grant Birth through Five with a subset of CRRSA Act stabilization funds to

partner with existing providers. The purpose of this was to help them think about new service delivery models that can be used in the state.

- In March 2021, Rhode Island passed the Early Childhood Facilities Bond, which will introduce \$15 million of capital into the state's child care system to expand and improve upon quality early learning spaces for young children.
- Rather than thinking about buckets of stabilization, Rhode Island is focusing on a broad approach to expanding the state's infrastructure, capacity building, and workforce development supports for early childhood.
 - They established a “project charter” that included early childhood stakeholder input to help them think collaboratively about how to use the ARP Act funding to support increased access to child care. They are especially considering how child care involves not only licensing but also several other departments in the state (for example, health, education, and Medicaid). The ability to team with the other departments involved in child care allowed the state to think strategically about the allocation and disbursement of funds. The Region I Common Framework and partnership that was established across the Region helped them think collaboratively about disbursement and positioned Rhode Island to think innovatively about soliciting viewpoints from other agencies for their input on the use of ARP Act dollars.
 - In thinking about the end of the state of emergency, what will the unwinding of emergency regulations look like for programs and families? ARP Act funding has allowed the state to think strategically about long-term supports as regulations expire.

Conclusion

At the end of the webinar, states responded to additional questions about their experience with the Region I Common Framework.

Has the Framework Supported Your Communication?

Massachusetts

The framework helped the legislature conceptualize investments being made by the department. It has also helped accelerate their work by sharing thoughts and ideas across the Region. For example, Connecticut initiated use of the SVI. Massachusetts was able to adopt the SVI for the specific needs of the state due to the cross-state collaboration. The Region 1 Framework also helped with stakeholders and explain about how others are using their funding. The Framework set principles around how the funding is being used to support the child care sector.

Regarding the reporting requirements of funding, Massachusetts has been thinking about what data are available and have recognized gaps in data collection. The Region I collective has been helpful in identifying creative ways to gather data that will get the state the information they need at a systems level without being overly burdensome on providers.

Connecticut

The framework kept the state organized, and the Region I collaboration provided guardrails for communication around the long-term vision of these one-time funds. It also helped them communicate how they are thinking

about the future. It has been beneficial with state leadership, such as the Governor, and others who value the collaboration.

Has Technology Been a Part of the Framework and Ongoing Conversation?

Massachusetts

The current technology in place has limited the state's ability to collect the necessary data. Massachusetts is working with a technology partner to manage the grant application and reporting while the state builds out the appropriate technology and capacity to have ongoing data collection. A systems-level investment in technology is part of the state's use of relief funds.

Maine

Maine is currently in a transition period; the family child care rules were recently updated. The QRIS is voluntary unless the program receives subsidy, but the new licensing rules require family child care to be in the QRIS registry. Maine will be able to link the QRIS registry with ARP Act grants by seeing workforce-related data. Similarly, the center-based rules are in the process of being updated and will also provide workforce data on center-based facilities, once again using the data in the QRIS registry to implement staff bonuses.

Would You Like More Information or to Request Technical Assistance?

Please contact the Office of Child Care regional office, the Child Care State Capacity Building Center's State Systems Specialist, or the Emergency Preparedness and Disaster Response and Recovery team member for your Region to arrange a peer-to-peer call with CCDF staff or request additional information.

