



**Connecticut Administered State-Funded Program
General Policy D-04**

Reallocation of Unutilized Child Day Care Spaces

- ☒ OEC Child Day Care Contractors
- ☐ OEC Competitive School Readiness Municipalities
- ☐ OEC Priority School Readiness Districts
- ☐ OEC State Head Start Supplement
- ☐ OEC Smart Start

BACKGROUND

The Child Day Care (CDC) Contract reads, “If more than ten percent (10%) of the spaces allocated within this contract are unutilized for a period of three (3) or more months, the Agency reserves the right to amend the contracted funding amount and reallocate funding for these spaces to another existing contract based upon community needs.” This General Policy is intended to clarify the process for determining community need and for reallocating spaces.

POLICY

A. Process for Determining Need to Reallocate Contracted Spaces Due to Ongoing Underutilization

1. After three (3) consecutive monthly reporting periods reflecting underutilization of more than 10% of a contractor’s allocated spaces, the Office of Early Childhood (OEC) will provide notification to the contractor that spaces are in jeopardy of being reallocated.
2. Following receipt of this formal notification, contractors will have two (2) weeks to submit the *OEC Space Utilization Action Plan* detailing the reasons for underutilization of spaces, the plans for addressing this issue, timelines for achieving full utilization, plans for documenting progress and any potential supports necessary for this process.
3. Within two (2) weeks of receipt of an *OEC Space Utilization Action Plan*, the OEC will issue a written response, detailing any needed adjustments to the plan, the threshold for change in space utilization and any additional requirements for documentation of program efforts.
4. Recipients of loans through the Connecticut Health and Education Facilities Authority (CHEFA) child care facilities program are provided certain slot guarantees as defined in [Special Act 13-16](#). If such programs are underutilizing contracted spaces, the OEC will work with CHEFA to determine if the loan agreement will be affected by a reallocation of spaces and will adjust the notification in accordance with specific loan provisions.

B. Reallocation of Spaces to other Programs

Priority for reallocation will be based upon the following considerations:

1. First priority is to reallocate spaces within the same region, utilizing an existing CDC Contractor
2. If capacity does not exist in the same region, priority will be given to an existing CDC Contractor in other regions. Priority will be given to communities with a documented unmet need, utilizing existing documentation of need and community demographics. Communities interested in applying for reallocated spaces may submit additional documentation of community need at their discretion.
 - a) If multiple existing CDC Contractors deemed to have a need are interested in the reallocated spaces, the OEC will first consider current standing in regard to accreditation and/or approval, licensing, and compliance with OEC reporting requirements.
 - b) If multiple existing CDC Contractors deemed to have a need are interested in the reallocated spaces and there is no difference in contractor standing, the OEC will allocate spaces based on a lottery process.
2. If no existing CDC Contractors are able to accommodate the spaces to be reallocated, recruitment of additional programs within priority communities will be considered. If multiple parties are interested, an application process will be developed.

RESPONSIBILITIES OF CDC CONTRACTORS

CDC Contractors are responsible for monitoring the space utilization of subcontractors and reporting to the OEC any plans for reallocating spaces to other subcontractors.

**For further information concerning this GENERAL POLICY please contact the OEC program manager.
If you're not sure who that is, visit: <https://www.ctoec.org/contact-us/>**