DATE: December 10, 2020

TO: School Readiness, Child Day Care, and Smart Start funded programs

FROM: Beth Bye, Commissioner

RE: Coronavirus Memo #35
FY 21 Funding for School Readiness, Child Day Care and Smart Start

The Office of Early Childhood (OEC) strives to support the early childhood infrastructure during the public health emergency by adapting its funding structures for Child Day Care, School Readiness, and Smart Start programs. As the impact of COVID-19 changes, and health and safety protocols shift, so too have our fiscal supports for program operations. A number of funding models have been implemented, including a summer funding model, and a classroom equivalent model based on utilization starting in September, with a 25% operating enhancement as needed, and during the height of the pandemic a full funding model.

Given the recent increase in COVID-19 cases and program closures due to local health or governing entity decisions, OEC will once again adjust the funding model for the months of November, December and January, with the goal of maintaining access to high quality child care now, throughout the year and into the future. This memo sets out changes to support program stability and ensure that families have access to early learning opportunities for their children. All funds provided to School Readiness, Child Day Care and Smart Start programs for FY 21 are state appropriations.

1. For December 2020 and January 2021, the OEC will provide full funding allocations to programs that:
   a. Are open to serve children on-site or remotely, or
   b. Are closed due to local health or a governing body decision, and
   c. Continue to employ sufficient staff to effectively engage children and families in in-person, remote, or hybrid learning.

In-person/on-site care and education remains a priority. However, as indicated in Memo 34, Requirements for State-Funded Programs Providing Remote Learning, programs may provide remote or hybrid options for learning. Programs that are not open to serve children and do not provide a remote option will not receive funding. It is especially important that programs and liaisons maintain current contact information with OEC, especially during the public health emergency.
2. For the November 2020 reporting period, classroom equivalents will be divided by 16 instead of 20. Classroom size and funding amounts have not changed and will continue to be based on 11-20 children for a full classroom and 1-10 children for a half classroom. Please note that the deadline for the SR and CDC reports has been extended through December 18, 2020.

**Reporting**

Reports for each funding stream shall be submitted according to the established deadlines (with the exception of the November 2020 report) and should accurately reflect the number of children receiving services during the reporting period. Programs may contact their respective program manager with questions regarding reporting or submission deadlines.

**Additional information for Child Day Care Programs**

In addition to the above commitments for FY 21 funding, Child Day Care Programs will receive a rate increase for full-time preschool spaces to achieve parity with School Readiness rates. This increased rate will be provided as the base rate for full-time preschool spaces, irrespective of funding model, from the beginning of the FY 21 contract period (October 2020) and forward.

OEC will compute the space rate as follows for full-time preschool spaces:

- For September 2020, the current rate is applied to full-time preschool spaces utilized;
- For October and November 2020, the increased rate is applied to full-time preschool spaces utilized;
- For December 2020 and January 2021, the increased rate is applied to full-time preschool spaces allocated; and
- Amounts provided in the quarterly payments through FY 21.

**Additional information for Smart Start Programs**

Public Schools that are funded with Smart Start funds receive their full funding allocation for FY 21 and are required to engage children and families in in-person, remote, or hybrid learning. The OEC will provide full funding allocations to programs that:

- Are open to serve children on-site or remotely, or
- Are closed due to local health or a governing body decision, and
- Continue to employ sufficient staff to effectively engage children and families in in-person, remote, or hybrid learning.

In-person/on-site care and education remains a priority. However, as indicated in Memo 34, Requirements for State-Funded Programs Providing Remote Learning, programs may provide remote or hybrid options for learning.

We continue to support early childhood programs during the public health crisis by adapting payment structures and policies.