



Board of Early Education and Care

September 15, 2009

1:00 PM – 4:00 PM

Department of Early Education and Care
51 Sleeper Street
Boston, MA 02210

MINUTES

Members of the Board of Early Education and Care Present

Sharon Scott-Chandler, Esq., Chairperson
Julie P. Culhane, Ph.D., Vice-Chairperson
Paul Reville, Secretary of EOE
Kathleen Betts, Designee of the Secretary of EOHHS
Elizabeth Childs, M.D.
Carol Craig O'Brien
Chi-Cheng Huang, M.D.
Mary Pat Messmer
Lynson Moore Beaulieu

Sherri Killins, Ed.D., Commissioner of the Department and Secretary to the Board

Members of the Board of Early Education and Care Absent

Orlando Isaza
J.D. Chesloff

The meeting was called to order at 1:05 p.m.

Welcome and Comments from the Chair

Chairperson Sharon Scott-Chandler welcomed participants to EEC's September Board Meeting. Board Member Julie Culhane read a card in celebration of EEC's 4th birthday.

Chairperson Scott-Chandler acknowledged that Tom Weber was participating on behalf of Secretary Paul Reville, as his designee, but that the Secretary was expected to arrive a little later during the meeting. She also provided an update from the Board retreat over the summer. She noted that many board members were able to attend and had a chance to reflect on the past year's accomplishments and the vision for future direction of the agency consistent with the strategic plan. Chairperson Scott-Chandler highlighted some of the major topics raised at the retreat, including but not limited to, the following:

- prioritizing issues related to the pre-k to three population with respect to UPK, school readiness and child outcome measures;
- focusing on policies around out-of-school time (OST) providers and program quality;
- workforce development goals/strategies, including instructional leadership and strategies, development in the classroom, and sustainable growth and improvement for programs through QRIS;
- the Department's efforts to increase salaries for early education providers;

- review and evaluation of the coordinated family engagement model and examining the feasibility of providing comprehensive services beyond mental health;
- the possibility of FY10 and FY11 budget reductions and how to create efficiencies with less money;
- continued efforts on the communication of who EEC is, what the Department does, the role of families, the development of families and their partnership with EEC and a method for more ongoing communication in raising public awareness.

Chairperson Scott-Chandler noted that she and Commissioner Killins participated in an EOE retreat which included the Board Chairs and Commissioners from the three departments within the Education Secretariat, as well as the president of UMass. Discussion topics included: college readiness in relation to the Governor's school readiness agenda; the challenges to be faced this year, including budget issues, balancing quality, access, and the needs of working families; and thinking about prioritization of goals.

Finally, Chairperson Scott-Chandler noted that the Commissioner Evaluation Committee met over the summer to establish goals and review criteria for Commissioner Killins' upcoming evaluation in 2010.

Agency Updates: Comments from the Commissioner

Commissioner Killins thanked everyone for attending today's Board meeting and highlighted the following topics included in her monthly Commissioner's report:

- **EEC Staffing**

Sean Reynolds joined EEC on August 10th as the Budget Director. He brings valuable work experience with him as the previous Budget Director at the Massachusetts House Committee on Ways and Means.

Commissioner Killins recognized the importance and value provided by EEC's summer student interns that are returning to college for the fall semester; and requested individuals to contact Sarah Harding at EEC if anyone knows of other students seeking to obtain valuable work experience to meet their educational goals through an internship at EEC.

EEC has also posted for the position of Deputy Commissioner for Administration, which is the position most recently held by Alda Rego. The deadline for applications is September 24th.

- **FY2010 Grant**

EEC hopes to complete grant processing by October 30th. Commissioner Killins noted that EEC is still waiting for some paperwork and required forms to be signed from pending grantees and is continuing to identify barriers and gaps to improve processing grants moving forward.

- **Summer Learning Promotion Voucher Initiative (funded through American Recovery and Reinvestment Act (ARRA) of 2009 funds)**

EEC launched the Summer Learning Promotion Voucher Initiative on June 10th to provide school age children of working families with access to quality summer learning environments during the summer of 2009. Key statistics related to this initiative include:

- 774 school age children were placed in 275 summer programs across the state; and

- 48 of the 275 programs, including 9 family child care homes, 13 camps, and 26 licensed center based programs, were visited during the month of August to verify, among other things, that they provided children with academic enrichment activities that reinforce their school-year learning as required in their ARRA Summer Learning Promotion Voucher Agreement.

- **Limiting Access to EEC Financial Assistance**

Due to a continuing deficiency in EEC's direct access line-items, the Department had to take additional measures to limit access to child care financial assistance. EEC continues to engage key stakeholders in the field, prior to making any policy decisions impacting child care access. These stakeholders have encouraged EEC to maintain access to financial assistance for existing families in order to support their employment and education and to ensure, whenever possible, continuity of care for existing families, for children aging up to the next appropriate program type, such as infant/toddlers aging up to preschool and preschoolers aging up to school age care.

Therefore, in reviewing a series of equally dismal options, and after discussions with DTA and DHCD, we have chosen to close new access for homeless families who are not participating in employment service program (ESP) activities through DTA. In Fiscal Year 2009, EEC administered \$11 million to provide vouchers for such families not involved in ESP activities. To offset the negative impact of this decision, EEC is encouraging providers to refer homeless families requesting early education and care services to local Head Start programs. Access remains open for homeless families referred to DTA shelter programs who are participating in approved ESP activities.

EEC is also closing access for teen parents under 20 years of age not eligible through DTA and not in teen parent contracted slots. In FY2009, EEC expended \$3.4 million of its income eligible line item for this specialized population.

Commissioner Killins also mentioned that a recommendation to add \$8.1 million to the income eligible account through ARRA funding to support a targeted group of families that have children aging up is scheduled to be discussed at this meeting. Without these federal stimulus funds, EEC will not be able to provide continuity of care for these children.

- **Longitudinal Data Systems Grant**

A federal grant supported with ARRA funds is aimed at enabling State educational agencies to design, develop, and implement statewide, longitudinal data systems to efficiently and accurately manage, analyze, disaggregate and use individual student data. EOE has been facilitating discussions with the three education agencies to develop a proposal for this grant which would allow us the ability to share data from preschool through postsecondary education data systems.

- **Council of Chief State Schools Accountability Systems Grant**

This cross-agency grant has multiple priorities, including child assessment and pre-K program evaluation. The Commissioner noted that consultants will be providing guidance on the review of the third year of assessment information from the UPK pilot, the development of an outcomes strategy for review by the Board and technical assistance in establishing a panel to continue the development of evaluations.

- **EEC Selected for Compendium of Transition Efforts by National Center for Children and Families, Teachers College at Columbia University**

EEC is excited to have been selected for inclusion in a new compendium of United States and international transition efforts that will be published in early 2010. The compendium is part of a research project on transitions and alignment in early childhood, conducted by the National Center for Children and Families, Teachers College at Columbia University and supported by the Kellogg Foundation. It was noted that EEC was selected for the compendium as a promising transition effort using a secondary analysis of academic publications, web-based research, and suggestions from experts in the field. Adopting a holistic view, this compendium will offer a conceptual framework for understanding different perspectives of transitions.

- **EEC Will Participate in the Strengthening Families Summit in October with MA Partners**

Based on the interest that Commissioner Killins and DCF Commissioner McClain have expressed in advancing the Strengthening Families model in MA, the Casey Family Programs has offered to support the attendance of EEC and DCF at the Center for the Study of Social Policy's Summit on "Strengthening Families" at the end of October in Atlanta Georgia. MA representatives will meet with other public agency leaders and practitioners from states that have made commitments to using the Strengthening Families framework for collaborating and programming across early childhood and child welfare systems.

- **Income Eligible Child Care Re-Procurement**

Bidder Debriefing & Appeals - EEC has received appeal requests from three of the four family child care systems whose contracts were terminated. EEC will continue processing the appeal requests in accordance with the terms of the RFR and OSD requirements. Additionally, EEC will continue to implement its transition plan that will ensure continuity of care for the children currently in care with these systems.

- **Supportive Child Care Expansion**

DCF and EEC Commissioners met previously and agreed upon a short and long-term action plan and strategy for improving interagency management of the Supportive Child Care Program. EEC and DCF are also currently working on a Memorandum of Understanding to inform the joint work of the two Departments and to clarify agency roles and responsibilities.

- **Market Price Study**

A presentation of findings from the 2009 Market Rate Study is on today's Board meeting agenda.

- **Birth to School Age Task Force: Phase I Pre Birth to Age Three**

A critical next step in the Birth to School Age Task Force's work is to hold community meetings in partnership with the United Way and other community partners, in order to provide an opportunity to gather feedback from interested stakeholders. The Task Force is currently planning six unity meetings for October across the state and is looking for program panelists that employ evidence based and/or promising practices to talk about their work and experience with the pre-birth to age three population.

- **Community College Meetings Across the State**

EEC continues to invite providers, parents, preschool educators, public school teachers, principals and any other interested parties to meet at local Massachusetts' Community Colleges, in order to hear more about the mission and vision of the agency and to engage in a conversation about Child Outcome Measurement and School Readiness Assessment. The Commissioner's report contains an update on last month's Community College meetings.

- **EEC Website Now Available in Multiple Languages- Using Google Translation Service**

EEC has added a free service from Google Translation Language Tools to our website which offers automated translation of written web content to the public. EEC recognizes that the service is not perfect, but notes that it is a free tool that is available for all web users.

- **ESE and EEC Agree to Share Data for Longitudinal Study of Child Outcomes**

In August, Commissioners Chester and Killins signed a Memorandum of Understanding (MOU) to exchange data regarding children participating in EEC financial assistance programs. The intent of the MOU is to develop a data share system in which EEC will disclose to ESE information about children participating in EEC funded programs for the purpose of ESE assigning a State Assigned Student Identification (SASID) number to each child. This will allow EEC, in consultation and coordination with ESE, to engage in longitudinal studies of child outcomes as children transition from early education and care programs into public school and beyond. This project will allow the Commonwealth to evaluate the effectiveness of programs, and ultimately facilitate the Governor's "Readiness Passport" program.

- **Unified Technology System**

A bidder's conference was held for vendors interested in bidding on the Unified Information Technology RFR. The deadline for bid submission is October 2, 2009.

Statements from the Public

The Board of Early Education and Care makes up to 30 minutes available for persons in the audience to address the Board on specific agenda items. In order to hear as many speakers as possible, the Board limits individuals to three minutes, although written material of any length can be submitted to Chairperson Scott-Chandler or Commissioner Killins.

- **Sue Heilman - Horizons for Homeless Children**

Sue Heilman commented in support of finding alternative resources, including ARRA funding, to support early education and care programs for homeless children in the Commonwealth. She stated that the current fiscal situation forced EEC to suspend its policy supporting these children and families, which resulted in more children being forced to spend their days in shelters and shelter overflows.

- **Carol Ruben – Mass Parent Child Home Program (PCHP)**

Carol Ruben commented in support of finding ways to enable restoration of funding to homeless families. She stated that the PCHP national office has been working closely with programs and advocacy organizations to promote funding at the federal level that can be used to support home visiting. She stated that additional funds may be made available

through Title 1 and Early Learning Challenge Grants and funds for home visiting, which may enable EEC to restore funding to homeless families and encouraged the agency to pursue such funds.

- **Amy O’Leary – Strategies for Children**

Amy O’Leary commented on the current fiscal challenges facing EEC and urged stakeholders to contact their legislators about the potential impact of such funding cuts to help protect progress made in quality investments. She commented on recent federal initiatives, such as ARRA funding, potential legislation to create Early Learning Challenge Funds for birth to age 5, and the Race to the Top Fund. Ms. O’Leary offered to be a resource for the Board and Commissioner in learning about funding opportunities.

End of public comment period.

Chairperson Scott-Chandler acknowledged the passing of Senator Edward Kennedy and emphasized the work he did bringing people together and the legacy he leaves behind.

Routine Business:

- **Disclosures:**

Chairperson Scott-Chandler submitted a written disclosure that her employer is an EEC grant and contract recipient, and her employer has or may have an interest in the ARRA, and State Budget agenda items. Board Member Mary Pat Messmer also disclosed in writing that her agency receives EEC funding and has or may have an interest in the ARRA, State Budget and Market Price Study agenda items. Board Member Carol Craig O’Brien verbally disclosed that her employer, Westwood Public Schools, currently receives EEC funding and has a potential interest in receiving additional funding.

- **Approval of June 9, 2009 Minutes**

Chairperson Scott-Chandler asked Board Members to review and approve the minutes. Board Member Craig O’Brien noted that her name was left off the list of Board members on the Commissioner Evaluation Committee.

On a motion duly made and seconded, it was:

VOTED that the Board of Early Education and Care approve the minutes of the June 9, 2009 Board meeting, as presented by the Commissioner, subject to the corrections offered by Board Member Craig O’Brien. The motion passed with one abstention; Kathleen Betts abstained.

Board Committee Reports

- **Programs and Policy**

Board Member Elizabeth Childs noted that the last meeting of the Programs and Policy Committee focused on ARRA funding and how to best prioritize its use. She explained that the Committee took seriously the input from the Advisory Council to focus on the most vulnerable families, given the direction of ARRA to create and/or retain jobs. The Committee spoke about prioritizing children in care, including children aging up, and

prioritizing siblings of those already in care and infant-toddlers, who represent the largest population on the centralized wait list. The Committee recognizes that the agency cannot provide care for all children and that the Board is required to make difficult decisions. The group communicated thoughts to the Commissioner, including avoiding the severity of a funding cliff. For example, the Committee identified that using ARRA funds to support younger children increases the likelihood of creating a funding cliff, as those children will still need care when the stimulus funds cease, whereas older children are most likely to have aged out of child care. Therefore, the Committee recommended the use of ARRA funds to support preschool children aging up and noted that school age children cost much less to fund than infants and toddlers, thus allowing the Department to serve more families for less money.

Board Member Childs thanked the Committee, acknowledging they faced difficult decisions with no way to fund everyone. The rest of the Committee's recent discussions focused on a review of QRIS and determining that the system could start with four levels. The agency could hold off on level 5 until it is clearly defined, noting that QRIS must be thoroughly thought through. Board Member Childs acknowledged that EEC staff member Corey Zimmerman has been very responsive, looking at accreditation standards, while considering standards in addition to NAEYC, such as standards used by the American Montessori Society and the Association of Christian Schools International.

- **Fiscal and Budget**

Chairperson Scott-Chandler noted that the Committee reviewed both FY09 spending and the FY10 budget at their June meeting. The Committee acknowledged that only 1.1% was reverted from the agency's budget from FY09. The Committee commended the Department on getting through such a difficult year with fiscal challenges and multiple transitions. Chairperson Scott-Chandler stated that the Committee also discussed pending budget issues and the potential for additional 9C cuts, as state revenues continue to plummet. In light of bleak economic forecasts, the Committee discussed agency values, the Board's desire to establish a larger, long-term vision for the Department and to set guidelines for the Commissioner. Chairperson Scott-Chandler also stated that the Committee discussed funding cliffs, similar to the conversations had at the Program and Policy Committee meeting and thanked EEC for preparing relevant data. She acknowledged that the Board has been provided with more data, charts, and summaries from which Board members can make decisions.

- **Planning and Evaluation**

Board Member Culhane reported that the Planning and Evaluation Committee discussed the system capacity report, ARRA funding, the UPK evaluation, and child outcomes at its last meeting. She noted that the deadline for submitting the system capacity report is today. Board Member Culhane recognized that the report was originally due in June; however, she noted that the Department got an extension to allow for additional time for enhancement. She thanked EEC staff for the hard work that went into its preparation and noted that the final document is robust and useful. Board Member Culhane noted that a discussion of the proposed use of ARRA funding is on today's Board meeting agenda and that she would provide the Committee's feedback on that topic when that agenda item is taken up for discussion. Commissioner Killins added that the core issue related to ARRA spending is monitoring job creation and/or retention. She acknowledged that one EEC voucher does not support a whole full time equivalent (FTE) position; however, the Department is required to report on the impact of job creation and maintenance, associated with its summer learning vouchers and other planned ARRA initiatives.

Board Member Culhane also reported that at the Committee meeting researchers from Abt Associates came to report on the UPK quality study. This study will help enable EEC to write a comprehensive Executive Summary of Abt Associates' final report.

Board Member Culhane mentioned she attended a series of the community meetings and encouraged others to do so. Feedback received at the meetings has been rich and will inform EEC and its Board when the time comes to make decisions. The next meeting of the Planning and Evaluation Committee will be at 2:00 p.m. at EEC's Worcester office on October 8th.

- **Advisory Council**

Commissioner Killins provided an update on the Advisory Council meeting by noting that the Council reviewed the Commissioner's child outcomes presentation and discussed the importance of looking at the same groups of children longitudinally, as well as ensuring data collected can be used by teachers for instructional practice. The Council also discussed looking at the costs of having outside professionals versus teachers collect assessment data. The Commissioner stated that teachers conducted child outcome studies in Maryland and noted that she did not believe EEC currently had the capacity to conduct the statistical analysis of a statewide evaluation, but is hopeful that the agency would be able to partner with a university. The Commissioner acknowledged that an 18-month timeframe would allow for appropriate planning.

Commissioner Killins also noted that the Advisory Council reviewed caseload data and discussed potential patterns between FY09 and FY08 data and also engaged in the difficult discussions related to closing access and the decision to focus on existing families. The Council supported continuity and access for homeless families, existing children, and aging up and how to support each of those agendas. The next meeting of the Advisory Council is in October.

Comments from the Secretary

Secretary Paul Reville arrived while the Commissioner was providing an update on the Advisory Council work. He welcomed attendees to the first meeting of the new academic year. He acknowledged the Governor's charge to bring the sectors of education together and mentioned the retreat with the education board chairs and the president of UMass, where the group thought about how to bring together a cohesive and continuous education system from pre-k through higher education. He noted that they established a goal to be the top education system in the world and having indicators, including early childhood, to see if we are delivering on that aspiration. The group also discussed a commitment to developing a pre-k to higher education council, as the executive committee to bring together conversations between participating education boards within the Secretariat. The group also identified projects to work on jointly, such as: college readiness, career readiness, and how to prepare people on the right educational path starting with early childhood education, school readiness, early childhood, and transitioning into kindergarten through grade 12.

Additionally, Secretary Reville provided an update on the budget and noted that exercises are being done to look at current spending, in the event that additional budget cuts are deemed necessary. He confirmed that October 15th is the deadline for identifying the need for any additional FY10 cuts. He acknowledged that should we need to make cuts, we want to be prepared. Early information on state revenue for FY10 is inconclusive. Secretary Reville noted that economists remind us that revenues will lag behind improvements in the economy; therefore, our assumptions for improved revenues might be too ambitious. He

also noted that the Rainy Day Fund is exhausted, stimulus is exhausted, and the Department has a deficit, thus creating a “perfect storm” as we look at FY11. Secretary Reville noted that hopefully improvement will be faster than expected, though there are substantial challenges that will force the Department to prioritize work and savings through efficiencies. However, he reassured the Board and the attendees that there is no higher priority on the Governor’s agenda than early childhood education.

He also provided an update on Race to the Top funds and noted that this is a process, which will take several months with the application likely to be due in January. He noted the state will be proposing ambitious legislation: interventions, charter schools, and a new generation of readiness schools, which were unveiled at a press conference this summer and will be presented to the legislature on Thursday. He also noted that just as Massachusetts led in the first chapter of school reform, it will lead in the next chapter and he is looking forward to working with Commissioner Killins on these initiatives. He also mentioned he was in Washington last week and there was an atmosphere that the field is on the verge of another era in how we support children, and Massachusetts needs to be a present and vocal participant.

Items for Discussion and Action:

I. Approval of Vice Chair Motion

Chairperson Scott-Chandler thanked Board Member Culhane in her capacity as Vice Chair of the Board over the last two years, and noted that under the Board By-laws a Vice Chair is to be annually elected. Chairperson Scott-Chandler opened the floor for discussion and nominations for a Vice Chair. Board Member Lynson Moore Beaulieu nominated J.D. Chesloff to position of Vice Chair.

On a motion duly made and seconded, it was:

VOTED that the Board of Early Education and Care approve J.D. Chesloff to the position of Vice Chair of the Board of Early Education and Care. The motion passed unanimously.

II. System Capacity Report – Discussion and Vote

Corey Zimmerman, Director of Strategic Planning and Analysis, presented on the purpose and contents of the System Capacity Report. The purpose of this report is to comply with §85 of Chapter 215 of the Acts of 2008, which mandates the Board of Early Education and Care, in consultation with the Advisory Council, to assess and report on the capacity of the existing early education and care system to, among other things, enhance the quality of early education and care programs. The report is framed within EEC’s five strategic directions and is submitted by the Board of Early Education and Care. Within this framework, Director Zimmerman walked through each of the Board’s strategic directions and discussed the EEC initiatives highlighted in the report.

The discussion was opened to the Board for questions. Board Members Scott-Chandler, Craig O’Brien and Culhane acknowledged the agency’s hard work putting the report together, particularly when thinking about all of the transitions and budget constraints EEC has experienced, and expressed being impressed with staff having even found the time to collect data.

Board Member Craig O’Brien also asked whether there is any pending additional funding associated with Trial Court Care. Commissioner Killins responded that there is discussion at

the state level and Office of the Child Advocate (OCA) is interested in advancing that agenda. The Commissioner noted that EEC used to have funds to support that line item, though the agency does not currently. The agency has done research to know what the costs would be and could report those details if funds become available. Board Member Craig O'Brien asked how funds would become available given the budget situation. Secretary Reville responded that the agency would have to look at the costs more closely. Commissioner Killins noted that EEC will work with EOE now that the agency has a proposal.

**On a motion duly made and seconded, it was:
VOTED that the Board of Early Education and Care approve the Department's proposed System Capacity Report, as prepared pursuant to § 85 of Chapter 215 of the Acts of 2008, and further authorize the Commissioner of the Department of Early Education and Care to submit the report, as presented, to the Legislature.** The motion passed unanimously.

Chairperson Scott-Chandler noted that usually the Board discusses a topic at one Board meeting and approves it at the next, though for ARRA funding, the Board would like to have a vote today.

III. American Recovery and Reinvestment Act (ARRA)

- **American Recovery and Reinvestment Act (ARRA) - Allocation of \$8.1M to Special Populations (Preschoolers Aging-Up to School-Age Programs) – Discussion and Vote**

Commissioner Killins presented EEC's proposed plan to allocate \$8.1M of ARRA funds to support the aging up of preschoolers into school age programs, referring Board members to the materials included in the Board binders. EEC received feedback from the Advisory Council and the Policy and Program Committee to focus on families the most vulnerable to job loss, and to prioritize children already in care (aging up), families already in care (siblings), and age groups with the highest wait list numbers (infants and school age). Commissioner Killins recommended targeting \$4.9 and up to \$8.1 of ARRA funds to support existing Income Eligible preschool children aging up into school age programs. Funding would be for two years; implementation will include a planning/documentation component to address the time-limited nature of the funds. She further explained that there is strong evidence that children's participation in school age programs can have beneficial outcomes, supporting school readiness and academic achievement, family engagement and support, and continuity of care. This proposal is linked to ARRA goals by allowing families access to regular and stable child care to support greater job stability and retention for low income families. If funded, EEC would evaluate and track program quality, teacher quality and participating student's achievement. Commissioner Killins then opened the discussion to questions.

Board Member Culhane asked about the geographical distribution of the 948 children referenced. Commissioner Killins responded that she was unsure if the geographic distribution can be mapped. She noted there may be geographic dispersion, although it is not immediately known. Programs responded with this information through a survey. However, the agency will determine what the geographic dispersion is and bring that information back to the Board.

Board Member Moore Beaulieu asked if it is known how many children are located in Commissioner's Districts, and expressed her concern that the children the agency is serving are not the lowest income, or the poorest. Commissioner Killins responded that it is not

known where the children are located but the Department will bring that data back to the Board. However, the children are identified individually and the Department can look at those children's family income. It is known that their income is below 85% SMI. This information can then be tracked.

Board Member Craig O'Brien commended the Department on the work of the concept paper related to ARRA funding. She noted the initiative ties together the work of the Department along the Pre-k to three continuum. She noted that when the agency begins to think about evaluation, it should be thought about with a wide lens, including looking at where children were enrolled in after school programs, family involvement and academic programming. How EEC supports the program quality for these children will also need to be reviewed. She commented that even with the development of QRIS, we are struggling with what to look at for school age programs. This initiative would help bring that together.

Board Member Messmer noted that the concept paper and proposal were balanced and acknowledged the importance of it including the needs of working families. She mentioned that families maintaining jobs is a reality and an important consideration.

Board Member Moore Beaulieu questioned whether a small percentage of EEC's entire budget is state money. She asked if this proposed initiative might be the next place for matching federal dollars with state dollars and if the Department is at risk of losing more than just our state dollars. Secretary Reville responded that they are mindful that whatever cuts are proposed, the money links up. He added that during the budget cutting process, such considerations are taken into account. The degree to which a dollar is attached to another federal dollar makes it less likely we would propose it be cut.

Chairperson Scott-Chandler called for a vote.

On a motion duly made and seconded, it was:

VOTED that the Board of Early Education and Care approve that up to \$8.1 million of the CCDF direct access related funds received by the Commonwealth through ARRA be used in FY2010 and FY2011 for the purpose of supporting continuity of care access (not to exceed two years) for income eligible families with preschoolers aging-up into school aged care, subject to the Department securing the necessary state and federal oversight approvals. The Board further authorizes the Commissioner to develop and submit a plan that meets the policy objectives outlined to the Governor's Office of Administration and Finance for approval through the Executive Office of Education. The motion passed unanimously.

- **Use of ARRA Funds to Develop Infant and Toddler Early Childhood Program Standards and Guidelines for Learning Experiences - Discussion**

Phil Baimas, Director of Educator and Provider Support, introduced a proposal to use \$50,000 of ARRA funds to hire a consultant to draft new standards and guidelines for infants and toddlers. These standards will guide the development, improvement, and evaluations of programs serving children birth to age 3 and the accompanying guidelines will be based on the standards and will provide best practices for learning experiences. The proposed guidelines and standards will be aligned with the Preschool Standards and Guidelines for Learning Experiences to create a continuum that addresses the developmental needs of children, birth to age 5.

Although a consultant will draft the initial documents, EEC will partner with many organizations with expertise on the needs of infants and toddlers and their families. These

multiple partners and stakeholders will provide valuable feedback that EEC will use to revise and improve the draft standards and guidelines.

Board Member Moore Beaulieu noted that there was no organization identified as a partner for infants and toddlers with special needs which constitutes a large population. She acknowledged that we have the research about special needs, but requested that teacher preparation include infants and toddlers with special needs.

Board Member Culhane disclosed that she is a member of the Zero to Three organization and NAEYC, explaining that these organizations very much include children with special needs in their work.

Board Member Craig O'Brien commented that when thinking about a consortium or partners, it should not only be for children with special needs, but also those at risk. Director Baimas responded that the standards will be drafted from a preventative standpoint.

Board Member Childs acknowledged the importance of including parent-child work in the standards. Board Member Kathleen Betts responded that EOHHS hopes to receive a grant which will allow more access to parent-child information. Chairperson Scott-Chandler noted there are a number of national family support groups that may have standards and guidelines that could be referenced. Board Member Childs added that it would be great to have a parent voice at that table.

Board Member Huang requested that, in addition to children with special needs, those who are consider neglected, abused, or traumatized should also be included because they are the most at risk with regard to education and development.

Board Member Craig O'Brien suggested that in order to keep this initiative focused, Strengthening Families provides guidelines on what programs need to offer families.

Director Baimas noted that the existing Preschool Guidelines focus on center-based programs. There is a need to make sure the infant/toddler guidelines focus on home-based settings as well, and encompass more than the existing preschool standards.

Board Member Culhane inquired as to a timeframe and whether it would be an open bid process. Commissioner Killins responded that it could be 60 days for a proposal and 6 months until funding is available, confirmed that it would be an open bid process.

IV. **Budget**

- **Close of FY2009 Budget – Discussion**
- **Framework for FY2010 Budget – Discussion**

Commissioner Killins gave an overview of the presentation which addressed the close of the FY09 budget and gave an initial look at the FY10 budget. Budget Director Sean Reynolds updated the Board on various budgetary matters including FY2009 final expenditures, FY2010 Proposed Spending Plan, an overview of the "9C" exercise, and then looked ahead to FY2011 budget.

Working from a PowerPoint presentation, a copy of which was included in the Board binders, Director Reynolds explained that EEC reverted \$6.4M from the \$551M budget for FY2009, representing a reversion of approximately 1%. The primary contributors to the reversion

were the caseload accounts, which reverted \$6.1M. He then summarized the FY2010 proposed spending plan, to be submitted September 23rd to ANF, discussing updated caseload projections, FY2010 anticipated expenditures and deficiencies (i.e., \$2.4M in the Supportive account and \$2.8M in the DTA Related account). Director Reynolds then addressed the upcoming "9C" exercise, which requires EEC to propose \$1.4M in "9C" reductions to FY2010 appropriations, stressing the importance of assigning guiding principles when addressing budgetary matters in general. He concluded by looking ahead to FY2011, in what promises to be a tight year that requires extreme cuts.

There was a question regarding the \$6M that was reverted and whether it can be used to cover deficiencies. Commissioner Killins responded that some of it can, explaining that the Department transferred some money into the Income Eligible account with permission from A&F, but that in the end reversions go back to the General Fund.

There was some discussion among Board members about the use of contracts and vouchers with respect to the aging-up population, and how ARRA funds will substitute for flexible funding for those children. Commissioner Killins explained that there is still some flexibility in contracts that allows new children into care. Some children are entering the flex pool because EEC is allowing contracted slots to be backfilled, rather than issuing new vouchers. Last year's policy required that if there was a child in the flex pool, regardless of age, the child had to be moved into a contract slot if a provider had one available. EEC will be aging-up children one time this year and will have to repeat this conversation in June.

Board Member Moore Beaulieu asked whether there is a shift in who is getting care, at what age, and what it will mean for the businesses that are serving different populations. She later remarked that we are trying to build a system and that the field is not like public schools. Schools will not close, but we are at risk of losing the small businesses that provide early education and care. Commissioner Killins stated that EEC will want to ensure we are getting feedback from the field about what is happening with system infrastructure. Chairperson Scott-Chandler stated that there is a challenge with vouchers being limited and closed. The early childhood education community feels an impact when levers close because they have families that they cannot serve.

There was some discussion among Board Members about whether all of the recent and projected budget cuts will impact children's safety. There was general consensus that EEC and the Board should not be cutting and diminishing programs so much that they are not even safe, and/or that we are limiting safe options for families.

Chairperson Scott-Chandler noted that the exact extent of future budget cuts is uncertain at this juncture, but asked Board Members to focus their discussion on giving the Department guiding principles. She noted Board Members Childs and Craig O'Brien already added some input and wanted to hear from other Board Members.

Commissioner Killins added that Director Reynolds and she will put together a budget based on last year's framework and information gathered at the Board retreat. She stated that if people had strong feelings about the budget's direction, now was the time to share, as the budget is due October 1st. Commissioner Killins also asked Board Members for any suggestions with regard to line item language flexibility. For example, with mental health, if we want to call it comprehensive services or get another item in the mental health line item, now was the time to say so. This is also an opportunity to consolidate the family engagement and practitioner support line items. Board Member Huang remarked that showing account descriptions would be helpful.

Commissioner Killins responded that she could give an update about how the agency spent the money, but the Board may have to wait until January to find out how funds were actually spent. She then explained each line item. Commissioner Killins stated that the Department can draft a budget but since the Board has lived with the budget longer than she has, she wanted to give them the opportunity to make any changes to the accounts. She concluded by saying that the Department can bring a budget back to the Board for feedback next month.

Board Members asked questions on particular line items and requested that EEC review its guiding principles in light of the budget.

Board Member Childs commented that no one of them wants to see 3000 to 4000 children lose care, recognizing that the Department has worked hard to do some innovative restructuring and consolidated approaches to capture the most value with limited dollars. She noted she would hate to see the Department undermine itself by undershooting what it can achieve with consolidated programs because of budget pressure. It is important to balance making hard decisions about children and programs with trying to hold onto the core of those innovative programs long enough to have them be effective. Going into FY11 or 9C reductions, she cautioned that the Board must think carefully and make decisions for the long term. She added that at some point we will undermine ourselves if we keep trying to take funds out of the same places. It will impact kids and families and it is important to not forget our long term vision.

Board Member Moore Beaulieu requested that the Department look at UPK, and present different options about how to invest those dollars. She added that for Head Start programs, one of the biggest expenditures is on health care. She asked if the Department is doing anything to address that issue and questioned if there are more affordable health care options. Board Member Huang suggested that if Head Start and early education programs form a consortium they could get more “bang for their buck.” Chairperson Scott-Chandler responded that they generally do not; there are pools for larger organizations, but smaller programs and family child care are on their own in trying to maximize leverage. Board Member Messmer stated that Senator Murray filed a bill to allow providers access to the state insurance plan. She does not know what it would save an employer, but found it to be an attractive thought, given that some providers are looking at a 15% increase in health care. Board Member Kathleen Betts added that people are looking at lower cost health insurance and access to the Connector. She noted that this is a problem for all non-profits.

Secretary Paul Reville concluded that the Board is in a position to make some proposals. If the Board sees something that makes sense, in terms of pooling in a sector, it is worth mentioning.

V. Provider Market Price Study – Discussion

Corey Zimmerman, Director of Strategic Planning and Analysis and Linda Mills of Linda Mills Consulting Group presented the Provider Market Price Study and its findings; Colleen Manning of Goodman Research Group participated by phone.

Child Care Development Fund (CCDF) regulations require states to complete Market Rate Studies every two years. This year, EEC hired Mills Consulting Group and Goodman Research Group to complete the study. They worked closely with the Massachusetts Child Care Network. Specific research questions for this study addressed:

- the distribution of child care daily published prices (e.g., mean, standard deviation, range, quartiles), statewide and within each of the regional market areas, by type of care and age group;
- the advantages to using a weekly rate versus a daily rate; and
- changes to the reimbursement regions currently in place to better reflect the market for early education and care services.

For this study, several new methods were used:

- the previous years' scripts used when collecting data from programs and providers were shortened;
- a near census rather than a sample was utilized because of the collaboration with the CCR&R Network, and their recent implementation of NACCRAware; and
- analysis included using providers' capacities as a multiplier for the rates.

Ms. Mills briefly reviewed the results, directing Board Members to the materials contained in the Board binders and the PowerPoint presentation. Director Zimmerman concluded with EEC's next steps:

- map and analyze zip code data;
- discuss cost, price, and quality at Planning and Evaluation Committee; and
- post 2009 Market Price Study final report on EEC website.

Board Member Moore Beaulieu asked whether the current rate is the EEC reimbursement, and if the median rate is what providers charge. Ms. Mills responded affirmatively, and stated that 75% is everything below that amount.

Chairperson Scott-Chandler thanked Ms. Mills and Director Zimmerman for their work. She noted that EEC is mandated to perform a market rate study, and that it would be interesting to find out why costs do or do not increase. A provider in a low income community knows she cannot raise her price because private paying families will not be able to afford it. The question is then what is behind the costs and how are they related. She noted that it goes back to the system and infrastructure and that many programs don't have a mandated increase.

Ms. Mills responded that other states she has consulted with have asked for focus groups with providers to ask that question. She commented that it was interesting to ask providers how they come to their rate. Generally, what providers said was that the rate is determined by what the market will pay. They charged what they thought they could get and did not want their rate to be higher than others. She acknowledged that it goes back to providers not charging their cost. Commissioner Killins remarked that for-profit programs charge a minimum to cover their costs, and that while the focus group described would be interesting, she does not know that it would provide the answer.

Board Member Huang commented that it's interesting to know that there's a 9% inflation rate, adding that he would like to know the income of the families that EEC serves, whether it is going up or down, and what part of their salary do families spend on child care.

Board Member Moore Beaulieu noted that some providers were not seeking accreditation as it is too expensive. One of the ways programs have cut costs is to eliminate those extra activities. She noted this is also relevant to how EEC spends its money. For example, looking at UPK and quality items, EEC is seeking to promote quality, but people are suffering when it comes to the rate issue. She stated that the Board should think about that when they come to the budget questions and how to move the quality level in the field.

Board Member Childs stated that understanding supply and demand regionally would be helpful. EEC has a good picture of the supply, but from a demand perspective it would be helpful to know if there have been shifts in terms of families moving in or out of regions, and the demographics of children. At the K-12 level, birth rate is not related to enrollment numbers; it is more about people moving in and out of communities. For EEC, maybe birth rate would make more of a difference.

Ms. Mills thanked Goodman Research for their work in analyzing the data.

On motion duly made and seconded, it was:

VOTED that the meeting adjourn at 4:00 pm, subject to the call of the Chairperson.

The motion passed unanimously

Respectfully submitted,
Sherri Killins, Ed.D.
Commissioner of the Department and
Secretary to the Board