

VT Act 76

Readiness Payment Program

The Vermont Department for Children and Families (DCF), Child Development Division (CDD) is pleased to announce a new program to support child care, preschools, and afterschool programs with stabilization, expansion, and quality.

Background

The 2023 Child Care and Early Childhood Education law (Act 76) created the Readiness Payment Program to support family child care homes, center-based child care and preschool programs, and afterschool programs to "get ready" for the expansion of the Child Care Financial Assistance Program (CCFAP) and other changes in Act 76.

Programs have flexibility in how they use the payments to support stability, expansion, and quality. Providers and program leaders are encouraged to think strategically about how to invest these additional dollars to achieve their goals of serving children and families.

Eligibility

To be eligible for the program, you must meet the following criteria:

- ✓ Have an active Registered or Licensed Family Child Care Home (FCCH), Center Based Child Care and Preschool Program (CBCPP), or Afterschool Child Care Program (ASP) license from the State of Vermont.
- ✓ Be open and serving children as of the date of your application.
- ✓ Intend to stay open and serving children through at least June 2025.
- ✓ Accept or are willing to accept payments from the CCFAP on behalf of children in your care or be a Head Start recipient.
- ✓ Have completed the final ARPA Stabilization funding report (if applicable).

Application & Payment Process

Applications opened **August 25, 2023**, and will remain open until all available funds are committed.

Eligible programs will apply by submitting [an online form](#). **Please submit one application per license.**

Applications will be processed within ten business days of receipt. Please respond to any requests for additional information or clarification in a timely manner; your application will only be considered complete once your response is received.

You need only apply once to receive a fixed monthly payment. Payments will be made from September 2023 through February 2024. There is a potential for additional payments before June 30, 2024, if there is still funding remaining.

CDD will notify you of your monthly payment amount via the email included in your application.

Payments will begin in September 2023. To receive the first payment by the end of September, you must submit a complete and accurate application by midnight on September 15, 2023. Any

applications received after September 15, 2023, will be processed on a rolling basis (see Table 1 below).

Table 1

Application Submission Date	First Payment Date
August 25, 2023 – September 8, 2023	End of September 2023
September 9, 2023 – October 13, 2023	End of October 2023
October 14, 2023 – November 10, 2023	End of November 2023
November 11, 2023 – December 8, 2023	End of December 2023
December 9, 2023 – January 12, 2024	End of January 2024
January 13, 2024 – February 9, 2024	End of February 2024

Payments will be issued the same way in which your program has chosen to receive CCFAP payments from the State (direct deposit or paper check). If your program still needs to be set up to accept CCFAP payments, the application form will instruct you on the steps you need to take; these steps may delay payment until this information is entered into our systems.

Please consult an accountant for specific information on how these readiness payments may impact your tax liability.

Payment Amounts

Payments amounts will be determined based on a formula that reflects the Readiness Payment Program’s intention to support stabilization, expansion, and quality.

The formula was designed based on priorities identified in Act 76, feedback collected via survey from early childhood education and afterschool programs in July 2023, and what worked in the ARPA Stabilization program.

Each eligible program will receive a monthly per child base payment based on their licensed capacity and program license type. See Table 2 below for the monthly base rate per child.

Table 2

License Type	Monthly Base Rate Per Child
Registered or Licensed Family Child Care Home	\$75
Center Based Child Care and Preschool Program – Less than 60 Licensed Capacity	\$65
Center Based Child Care and Preschool Program – 60 or more Licensed Capacity	\$60
Afterschool Program	\$35

In addition to the base payment, programs will receive an additional “bonus” payment per child added for each item they meet, offer, or commit to below. The intention is to support programs to pay for the additional costs associated with each of these factors.

These bonus payments are 5% to 20% of the per-child base payment. For instance, if the base rate is \$60, then a bonus of 10% is \$6 per child per month. The percentages below reflect the bonus for each category.

Information on the below factors will be extracted from our data systems (BFIS or CDDIS):

- Licensed capacity of the program.

- Program serves infants and/or toddlers. (10%)
- Program provides Specialized Child Care. (20%)
- % of children receiving CCFAP benefits at the time of application. (5%-20%)
- Program has 3, 4, or 5 STARS. (10%)

Information on the below factors will be requested in the application:

- Current Enrollment of full-time/part-time children or youth (for informational purposes only)
- Program intends to increase licensed capacity. (20%)
- Program intends to increase enrollment. (10%)
- Program intends to increase infant and/or toddler enrollment. (10%)
- Program intends to increase infant and/or toddler capacity (20%)
- Program intends to use a portion of the funds for salary increases, bonuses, or benefits for educators and/or other staff. (20%)
- Program operates or intends to operate at least 45 hours per week. (10%)
- Program operates or intends to operate year-round; defined as serving children every month of the year. (10%)
- Program offers or intends to begin offering meals or snacks to children daily. (5%)
- Program serves a culturally or linguistically diverse population, defined as at least 20% of enrollment of children who identify as a race other than (or in addition to) white or whose language spoken at home is not English. (5%)

CDD will verify the above information with applicants if responses appear unexpected. CDD will randomly select up to 10% of applicants for verification via interview or visit.

Monthly payment rates will be established through the initial application. Monthly recalculations will only occur if there is a major change in license type. Please notify CDD at AHS.DCFCDReadiness76@vermont.gov if such changes occur.

Use of Funds

Programs have flexibility in how they use the funds. The Readiness Payments are intended to support your program in stabilizing, expanding, and/or strengthening as the changes to CCFAP laid out in Act 76 roll out in 2023 and 2024.

The use of the funds should support the Readiness Payment Program's goals and align with the information shared in your application. Expenditures can include:

- Compensation and other personnel-related costs
- Facility costs, including renovations.
- Program materials, including groceries or classroom supplies.
- Professional development

- Mental health supports
- Other expenses the program deems to be in alignment with the goals of Act 76.

Reporting

Programs receiving Readiness Payments will be required to complete a brief survey at the end of the program that describes how they used the funds and what impact the program had on their stability, capacity, and quality. Programs may also be chosen for interviews or site visits to collect additional data regarding the impact of these funds.

Additional Requirements

- If your program changes license type during the Readiness Payment Program, you must notify AHS.DCFCDDReadiness76@vermont.gov for a recalculation of funds.
- If your program closes, or you otherwise become ineligible, you must notify AHS.DCFCDDReadiness76@vermont.gov and return any unspent funds.
- If you realize that you intend to close your program before June 2025, you must notify AHS.DCFCDDReadiness76@vermont.gov and forfeit any remaining payments.

Resources

- [Frequently Asked Questions](#)
- [Program Overview PowerPoint](#) – This includes a breakdown of the formula.
- [Sample Application](#)

Questions/Technical Assistance

If you have questions about this program or need help submitting the application, please contact us at ahs.dcfcdreadiness76@vermont.gov. A team member will respond between Monday – Friday, 8 AM – 4:30 PM (excluding State holidays).