

What's in the FY 2025-2027 CCDF Plan?

The Child Care and Development Block Grant Reauthorization Act of 2014 requires all states and territories to submit a plan every three years—known as the Child Care and Development Fund (CCDF) Plan—that acts as the primary mechanism used to determine state compliance with federal law and rules and serves as a formal application to receive federal funding over a three-year cycle.

States are currently undergoing the planning and development process of their FY 2025-2027 CCDF Plans, which must be submitted to the Administration for Children and Families (ACF) by July 1, 2024.

What's Different from the Previous CCDF Plan?

The <u>FY 2025-2027 CCDF Plan form</u> has some content and formatting differences from the previous FY 2022-2024 CCDF Plan. These include:

- Reorganized sections based on policy themes: This CCDF Plan form now includes 10 sections (it previously included eight). Some prior sections were split to better organize around key policy themes and incorporate questions aligned to new requirements made in the CCDF Final Rule that take effect April 30, 2024.
- More direct questions and certification: This CCDF Plan form moves away from using broad, narrative responses and includes more tables, multiple-choice responses and simple checkboxes to certify the state is meeting CCDF requirements. This is intended to improve transparency, reduce burden on Lead Agencies and determine compliance more efficiently.
- No additional documentation: This CCDF Plan form is intended to stand on its own and does not require Lead Agencies to submit additional documents, external links or state regulatory citations.
- **Fewer duplicative questions:** The CCDF Plan form eliminates questions already found in other compliance and monitoring reports, including those asked in annual Quality Progress Reports.

Compliance

A state should consider all policies and activities that will be in effect as of October 1, 2024, the start of the FY 2025-2027 CCDF Plan period, when completing their CCDF Plan. States should complete their CCDF Plans to reflect all outstanding areas of non-compliance. After submission, ACF's Office of Child Care (OCC) will identify any CCDF requirements not fully implemented during the CCDF Plan review process and will communicate a preliminary notice of non-compliance for those states via an emailed letter. The letter will include a standardized template for states to submit as their 60-day response to that preliminary notice. This template is found in the CCDF Plan form in Appendix 1: Lead Agency Implementation Plan.

States may begin submitting waiver requests on May 1, 2024, for provisions they are not in compliance with under the CCDF Final Rule. Regardless of whether a state plans to apply for a waiver, they must fully complete their CCDF Plan and be prepared to complete the Appendix in the fall. OCC will provide additional information soon about the waiver process.



Key Sections of the 2025-2027 CCDF Plan Form

The CCDF Plan form is divided into 10 sections, with various subparts, that states must address:

CCDF Plan Sections	Section Description
Section 1: CCDF Program Administration	In this section, states must identify the entities and individuals who have authority to administer and implement activities related to the CCDF program. They must also identify the partners consulted to develop the CCDF Plan and include information about the required CCDF Plan public hearing.
Section 2: Child and Family Eligibility and Enrollment and Continuity of Care	In this section, states must identify how the state defines eligible children and families and how eligibility and enrollment policies support access for eligible children and families.
Section 3: Child Care Affordability	In this section, states must address how family copayments are determined, the policies in place to waive or ensure affordable copayments for families, and how the state improves access and affordability for families in economically and/or socially marginalized communities.
Section 4: Parental Choice, Equal Access, Payment Rates and Payment Practices	In this section, states must address provisions related to equal access, including access to the full range of providers, payment rates, family copayments, payment practices and other strategies that help ensure child care providers are available to serve children participating in CCDF.
Section 5: Health and Safety of Child Care Settings	In this section, states must address health and safety requirements, licensing requirements and exemptions, and comprehensive background checks. This includes ratios, group sizes and provider qualifications, and the posting of monitoring and inspection reports.
Section 6: Support for a Skilled, Qualified, and Compensated Child Care Workforce	In this section, states must address efforts to support the child care workforce, the components and implementation of the professional development framework, and early learning and development guidelines. Section 6.1 includes new questions about ongoing efforts and future plans to support recruitment and retention, compensation, access to benefits and mental health support.
Section 7: Quality Improvement Activities	In this section, states must describe the quality activities needs assessment and identify the types of quality improvement activities using quality set-aside funds.
Section 8: Lead Agency Coordination and Partnerships to Support Service Delivery	In this section, states must identify who they collaborate with to implement services, how match and maintenance-of-effort (MOE) funds are used, coordination with child care resource and referral agencies (CCR&Rs) and efforts for disaster preparedness and response plans.
Section 9: Family Outreach and Consumer Education	In this section, states must address consumer education practices, including details about the state's child care consumer education website, and the process for collecting and maintaining a record of parental complaints.
Section 10: Program Integrity and Accountability	In this section, states must address their internal controls and how they effectively ensure integrity and accountability. These accountability measures should address reducing fraud, waste and abuse, including program violations and administrative errors and apply to all CCDF funds.



Alignment with CCDF Final Rule

The FY 2025-2027 CCDF Plan incorporates questions aligned to new requirements made in the new CCDF Final Rule, which take effect April 30, 2024.

Questions in CCDF Plan Aligned with Policies Required in the CCDF Final Rule:

- **3.1.1** clarifies that states may not charge any family a copayment of more than 7% and asks a follow-up prompt on the maximum family copayment charged.
- 4.4.1 asks if the state pays all providers prospectively and based on authorized enrollment. If
 not, the state must include data demonstrating these are not generally accepted payment
 practices for each provider type and must describe the payment practices in place to ensure
 timely payments and how they account for fixed costs.
- **4.5.1** asks what populations are served through grants and contracts, including, but not limited to, children with disabilities, infants and toddlers, and children in underserved geographic areas. If they are not providing services through grants or contracts, states must describe their plans to do so.
- 9.2.8 asks states to certify that their consumer education website includes the sliding fee scale for copayments, including policies related to waiving copayments and estimated copayment amounts for families.

Questions in CCDF Plan Aligned with Policies Encouraged in CCDF Final Rule:

- 2.1.1(a) asks which policies states will implement to reduce barriers to enrollment for families, including establishing presumptive eligibility, leveraging eligibility from other public assistance programs and coordinating eligibility determinations for children in the same household, among other strategies.
- 2.1.1(b) asks states to indicate if they use an online subsidy application.
- 3.3.1 asks if the state waives copayments for additional families, including those:
 - o with incomes up to 150% FPL
 - experiencing homelessness
 - enrolled in foster/kinship care
 - o enrolled in Head Start/Early Head Start
 - o with children with disabilities.
- 4.3.3(c) asks if the state reduces subsidy payments if the price the provider charges to private-pay families is below the established subsidy rate.

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