



EARLY CHILDHOOD EDUCATOR PAY EQUITY FUND

Fiscal Year 2024 (FY24) Early Childhood Educator Pay Equity Fund Frequently Asked Questions for Child Development Facility Leaders

Updated April 2024

About the Early Childhood Educator Pay Equity Fund

1. What is the Early Childhood Educator Pay Equity Fund?

The [Fiscal Year 2022 \(FY22\) Budget Support Emergency Amendment Act of 2021](#)

created the Early Childhood Educator Pay Equity Fund as a special fund of the District of Columbia Government, to be administered by the Office of the State Superintendent of Education (OSSE) and used to increase compensation of child development facility staff. The Act also created an Early Childhood Educator Equitable Compensation Task Force to make recommendations for implementing the fund.

Consistent with the [recommendations of the Task Force](#), OSSE worked with an intermediary organization, AidKit, to disburse pay supplements directly to early childhood educators in FY22 and FY23. Starting in [FY24](#), which began Oct. 1, 2023, OSSE ceased making direct payments to early childhood educators through AidKit and began distributing funds directly to child development facilities through a child development facility (CDF) payroll funding formula.

The information in this document pertains solely to the distribution of pay equity funds through child development facilities in FY24.

2. How will the Early Childhood Educator Pay Equity Fund work in FY24? (UPDATED April 2024)

In FY24, OSSE will distribute funds to child development facilities through the [CDF payroll funding formula](#). To receive funds from the CDF payroll funding formula, child development facilities must be licensed by OSSE and agree to pay eligible early childhood educators, by position and degree, salaries that meet or exceed the [minimum salaries](#) established by OSSE for FY24. Child development facilities are not required to participate in the Early Childhood Educator Pay Equity Fund, but it is [highly encouraged](#).

Child development facilities that wish to participate in the Early Childhood Educator Pay Equity Fund in FY24 must opt-in to the program through the process designated by OSSE. The opt-in process for FY24 closed in April 2024 (see question 33 for more information). Facilities that offer out-of-school-time (OST) programming **only** are not eligible to participate in the FY24 Early Childhood Educator Pay Equity Fund.

3. Are there sufficient funds to administer the Early Childhood Educator Pay Equity Fund for the entirety of FY24 (October 2023-September 2024)? (UPDATED April 2024)

Yes; however, due to the volume of participating child development facilities in the first three quarters of the program, OSSE closed the opt-in process for FY24 of the Early Childhood Educator Pay Equity in April 2024. Child development facilities that are already participating in the Early Childhood Educator Pay Equity Fund will continue to receive FY24 payments.

4. Will the Early Childhood Educator Pay Equity Fund continue in the years ahead? (UPDATED April 2024)

The Early Childhood Educator Pay Equity Fund was created as a special fund for administration by OSSE and does not include a sunset date. OSSE will administer the Early Childhood Educator Pay Equity Fund at the direction of the Mayor and DC Council.

5. If I do not want my facility to participate in FY24 of the Early Childhood Educator Pay Equity Fund, can my staff receive supplemental payments through AidKit? (UPDATED April 2024)

No. Consistent with the [recommendations of the Task Force](#), in [FY24](#), OSSE has ceased making direct payments to early childhood educators through AidKit and started distributing funds directly to child development facilities through the CDF payroll funding formula. Participation in the fund is optional for child development facilities.

CDF Payroll Funding Formula

6. How did OSSE establish the CDF payroll funding formula?

OSSE developed the [CDF payroll funding formula](#) based on the [recommendations](#) of the Early Childhood Educator Equitable Compensation Task Force. The Task Force recommended a formula based primarily on the number of teachers and assistant teachers employed by a child development facility, along with an “equity adjustment” for facilities that meet certain criteria. (For FY24 of the Early Childhood Educator Pay Equity Fund, “Teacher” includes a teacher in a child development center, a Montessori teacher, and a home or expanded home child care provider. “Assistant Teacher” includes an assistant teacher in a child development center and an associate caregiver in a child development home.)

OSSE used the formula model included in the Task Force report as the starting point for the CDF payroll formula. Consistent with the Task Force’s recommendation, the CDF payroll formula uses the number of eligible teachers and assistant teachers, by role and credential held, per facility as the driver of the base funding amount for facilities. In addition to an equity adjustment for eligible facilities, the formula includes an administrative enhancement for all facilities to cover additional costs associated with raising teacher salaries.

The CDF payroll formula was developed based on data available from multiple sources, including facility-specific data in the OSSE Division of Early Learning Licensing Tool (DELLT), the 2022 DC Child Care Provider Survey, OSSE’s 2023 cost modeling analysis and input from external stakeholders.

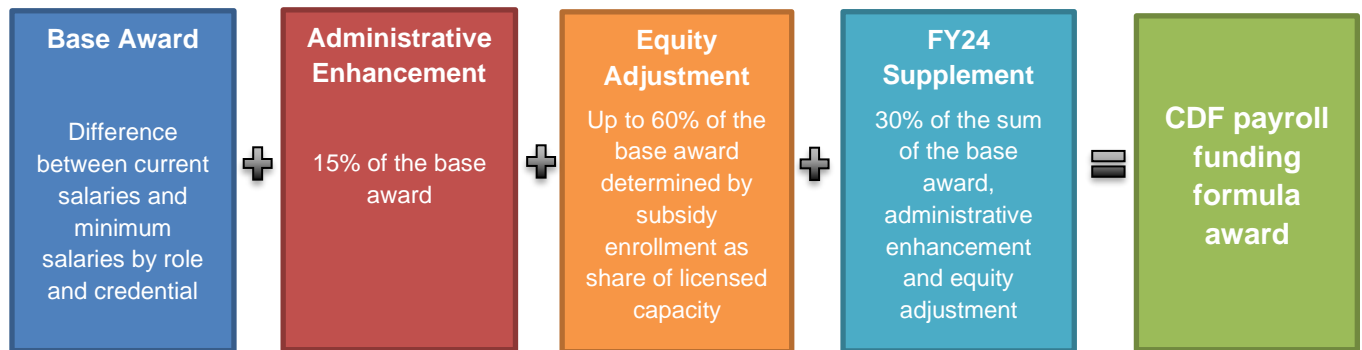
In September 2023, OSSE announced it would increase CDF payroll funding formula awards for child development facilities participating in the FY24 Early Childhood Educator Pay Equity Fund. Increased payments are for FY24 only and meant to support child development facilities as the Early Childhood Educator Pay Equity Fund transitions from supplemental payments distributed by AidKit to early childhood educators to CDF payroll funding award payments distributed by OSSE to facilities. OSSE made this change in response to stakeholder input and further analysis of data from child care providers.

7. What is the FY24 CDF payroll funding formula? (UPDATED September 2023)

The [CDF payroll funding formula](#) is a formula used to determine the payment amounts to be received by child development facility operators that choose to participate in the District’s Early Childhood Educator Pay Equity Fund in FY24.

The CDF payroll funding formula consists of the following components:

- Base Award;
- Administrative Enhancement;
- Equity Adjustment; and
- FY24 Supplement



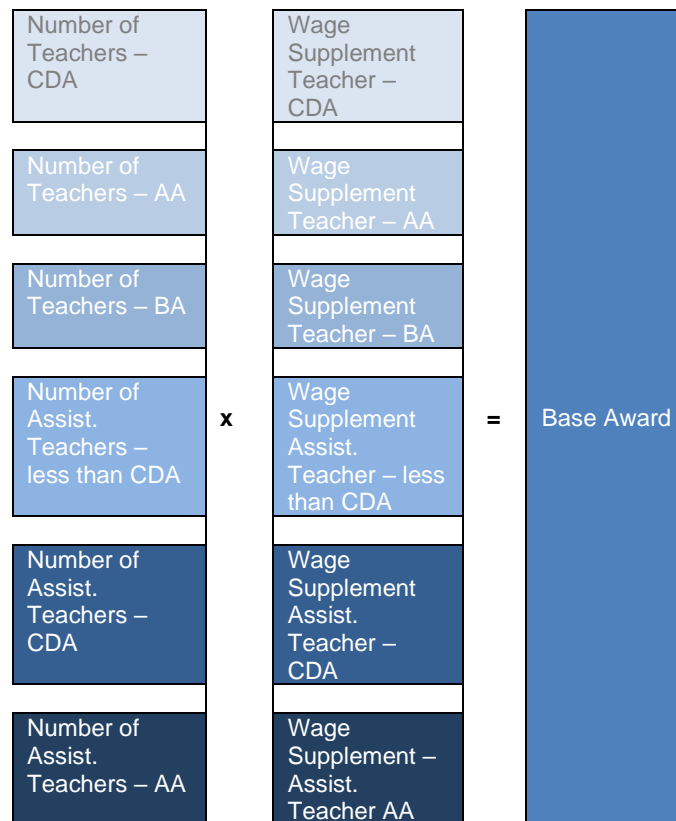
8. How is the base award calculated?

The base award, the core component of the formula, is calculated by multiplying the number of eligible lead teachers and assistant teachers, by credential per facility, by the wage supplement for each role and credential.

The wage supplement, for each role and credential, is the difference between current salaries, by role and credential, and the minimum required salaries. Because OSSE does not have salary data for individual child care employees, wage supplements are calculated using District average “current salaries” for each eligible role, based on data

used in the 2023 cost modeling analysis and informed by the 2022 DC Child Care Provider Survey, which asked child care program operators about current staff salaries. Consistent with the recommendation of the Early Childhood Educator Equitable Compensation Task Force, wage supplements will not vary by setting, ages of children cared for, or child development facility characteristics.

OSSE will calculate base funding amounts for each individual facility based on the number of eligible lead teachers and assistant teachers (as defined for the Early Childhood Educator Pay Equity Fund) and their credentials as reported by the facilities in DELLT. OSSE licensing regulations require all child development facilities to maintain up-to-date staff records in DELLT.



9. How is an educator’s wage supplement determined?

The wage supplement is based on the highest credential or degree currently held by an educator as documented in DELLT.

- For assistant teachers:
 - To qualify for the “AA” wage supplement, have an associate degree (or higher).
 - To qualify for the “CDA” wage supplement, have a Child Development Associate (CDA).

- To qualify for the “less than CDA” wage supplement, have less than a CDA.
- For lead teachers:
 - To qualify for the “BA” wage supplement, have a bachelor’s degree (or higher) in Early Childhood Education (ECE) or a bachelor’s degree (or higher) with greater than or equal to 24 credit hours in ECE.
 - To qualify for the “AA” wage supplement, have an associate degree in ECE or an associate degree with greater than or equal to 24 credit hours in ECE.
 - To qualify for the “CDA” wage supplement, have a CDA or 48 credit hours with greater than or equal to 15 hours in ECE.

10. Why does the formula include an Administrative Enhancement? (UPDATED April 2024)

Increasing staff pay has other costs for child development facilities, because some non-pay expenses (including mandatory payroll taxes or other discretionary benefits) increase as a function of staff pay and because record-keeping and other activities needed to participate in the fund will require time from program staff. The administrative enhancement is calculated at 15 percent of the base award to account for increases in mandatory payroll taxes and other possible increased expenses for the facility, such as staff time for updating staff records in DELLT. This is also consistent with the level of administrative funding commonly allowed by many grant programs. Child development facilities are not required to use the administrative enhancement for specific expenses and may use funds calculated as part of the administrative enhancement to increase staff compensation, cover payroll and benefits costs, or for any other allowed use of funds received from the Early Childhood Educator Pay Equity Fund (see question 39).

11. How does the CDF payroll funding formula ensure funds are distributed to facilities equitably? (UPDATED September 2023)

The FY23 Budget Support Act of 2022 requires OSSE to direct increased funding to child development facilities that serve families and communities with fewer economic resources. For this purpose, OSSE created an equity adjustment in the CDF payroll formula. For each facility, the equity adjustment will be calculated by multiplying the facility’s subsidy enrollment, as a percent of its licensed capacity, by 60 percent of the base award. In other words, a facility that has 100 percent subsidy enrollment will receive an equity adjustment equal to 60 percent of their base award. A facility that has 50 percent subsidy enrollment will receive an equity adjustment equal to 30 percent of the base award (base award x 60 percent x 50 percent). In September 2023, OSSE increased the equity adjustment from 40 percent to 60 percent in recognition that facilities serving higher concentrations of economically disadvantaged children may have less access to resources and need additional support to meet the minimum salary requirements.

12. Why is subsidy enrollment used to determine the equity adjustment?

OSSE is using subsidy enrollment as the driver of the equity adjustment for several reasons. First, subsidy and licensing data are accurate and reliable data that OSSE has

access to for every child development facility. OSSE's licensing data system tracks information on every facility's licensed capacity. In addition, OSSE maintains data on the number of children receiving subsidies enrolled in each child development facility that accepts subsidies. Child development facilities do not submit enrollment information on children who do not participate in subsidy to OSSE. For this reason, the equity adjustment for a given facility will be calculated by dividing the number of children in a facility who receive subsidy by the facility's total licensed capacity. The resulting percentage will then be multiplied by 60 percent, and the resulting percentage multiplied by the facility's base award to determine its equity adjustment. This approach will result in facilities that serve higher percentages of children participating in child care subsidies receiving equity adjustments that are larger, in proportion to their base funding amount, than those serving lower percentages of children receiving subsidies. By using data that OSSE already collects through other programs, this approach will minimize additional administrative burden on child care providers.

OSSE consulted private tuition rates, as reported in the 2022 DC Child Care Provider Survey, and OSSE's cost estimation tool and concluded that facilities providing subsidized care likely have fewer resources to meet minimum salary requirements, as they are serving families of more modest means. Additionally, children receiving subsidies may have needs that require additional resources, leaving facilities with fewer resources to put towards staff salaries.

Facilities that do not participate in the child care subsidy program may participate in the Early Childhood Educator Pay Equity Fund but will not receive equity adjustments to their base funding amount.

13. What is the FY24 supplement? (NEW September 2023)

The FY24 supplement is a special supplement included in the CDF payroll funding formula for FY24. It is calculated by adding a facility's base award, administrative enhancement and equity adjustment and multiplying the sum by 30 percent.

14. How will OSSE use the CDF payroll funding formula to calculate payment awards for individual facilities?

Facilities that opt in to FY24 of the Early Childhood Educator Pay Equity Fund will receive quarterly payments calculated using the [CDF payroll funding formula](#). OSSE will use facility-specific data, including the facility's staff records and licensed capacity in DELLT and subsidy enrollment reported in the subsidy system, to determine a facility's payment amount. The data used to calculate the formula will be pulled from DELLT and the subsidy system quarterly, on a set date for all facilities.

Funding amounts per eligible early childhood educator, by role and credential, used to calculate the facility's base award, will be the same for all facilities, regardless of what the facility currently pays its staff, and can be found below.

Role	Credential	FY24 Minimum Salaries as Revised by OSSE Based on New DCPS Salary Schedule	CDF Base Award Amount per Employed Early Educator, by Role and Credential
Assistant Teacher	Less than a CDA	\$43,865	\$2,329
	CDA	\$51,006	\$9,470
	Associate degree or higher	\$54,262	\$12,726
Lead Teacher	CDA or 48 credit hours with greater than or equal to 15 hours in ECE	\$54,262	\$8,503
	Associate degree in ECE or an associate degree with greater than or equal to 24 credit hours in ECE	\$63,838	\$18,079
	Bachelor's degree (or higher) in ECE or a bachelor's degree (or higher) with greater than or equal to 24 credit hours in ECE	\$75,103	\$29,344

Sources: Current salaries are based on responses to the 2022 DC Child Care Provider Survey.

Each facility's equity adjustment (if applicable) will be determined by dividing the current number of children enrolled in the facility receiving child care subsidies (reported from the subsidy system) by the total licensed capacity in DELLT. Administrative adjustments for all facilities will be calculated at 15 percent of the base amount, prior to adding the equity adjustment.

For more information on the components of the CDF payroll funding formula, see question 7.

Minimum Salaries and Salary Schedule for Early Childhood Educators

15. What are the minimum salary requirements for child development facilities receiving CDF payroll funding formula awards in FY24? (UPDATED April 2024)

In FY24, child development facilities that receive funds from the CDF payroll formula must pay eligible lead teachers and assistant teachers (as defined for the Early Childhood Educator Pay Equity Fund) salaries that [meet or exceed the minimum salaries](#) (see below), unless the facility has an approved waiver (see question 36). The minimum salaries are required for full-time, year-round staff. Child care programs with

staff who work part time or part year should pay hourly wages or salaries that are equivalent to or greater than the hourly wages listed. For more information see this [guide for determining an educator’s minimum salary](#).

Role	Credentials	Minimum Salaries for FY24 (annual salary)	Minimum Salaries for FY24 (hourly wage)
Assistant Teacher or Associate Home Caregiver	Less than a CDA	\$43,865	\$21.09/hour
	CDA	\$51,006	\$24.52/hour
	Associate degree or higher	\$54,262	\$26.09/hour
Lead Teacher, Home Caregiver or Expanded Home Caregiver	CDA	\$54,262	\$26.09/hour
	Associate degree in ECE <u>or</u> an associate degree with greater than or equal to 24 credit hours in ECE	\$63,838	\$30.69/hour
	Bachelor’s degree (or higher) in ECE <u>or</u> a bachelor’s degree (or higher) with greater than or equal to 24 credit hours in ECE	\$75,103	\$36.11/hour

Facilities that do not receive CDF payroll formula funds are not required to pay their staff the required minimum salaries but must comply with other District and/or federal laws and requirements regarding worker wages and hours that apply to all employers, including the Fair Shot Minimum Wage Act of 2016, and for child care providers participating in the District’s child care subsidy program, the Living Wage Act of 2006.

16. OSSE updated the minimum education requirements for the DC early childhood workforce in December 2023. Does this update change the credential requirements associated with the FY24 minimum salaries? (NEW January 2024)

No. The updated child care licensing regulations that took effect on Dec. 20, 2023 do not change the FY24 minimum salaries for the Early Childhood Educator Pay Equity Fund or the CDF payroll funding formula calculation. The updated regulations allow early childhood educators who receive an enrollment-based certification to remain employed in roles they would not have been able to be employed in prior to the updates to the licensing regulations. However, in most cases, updates to the child care licensing regulations do not change the minimum salary the individual qualifies for.

17. How were the minimum salary requirements determined?

The Early Childhood Educator Pay Equity Fund was created to support pay parity for early childhood educators employed at child development facilities licensed by OSSE

with their peers employed in DC public and public charter schools. In February 2023, the DC Council approved a new collective bargaining agreement between the District of Columbia Public Schools (DCPS) and the Washington Teachers' Union (WTU). The DC Council approved the contract in February 2023. The agreement revised the DCPS teacher salary schedule effective Oct. 9, 2022. Because the Early Childhood Educator Pay Equity Fund is intended to provide pay parity between early childhood educators in child development facilities licensed by OSSE and DCPS teachers with comparable degrees, the minimum salaries for FY24 are consistent with the updated DCPS salary scale and principles.

18. Are child development facilities that do not participate in the Early Childhood Educator Pay Equity Fund in FY24 required to adhere the minimum salary requirement?

Child development facilities are not required to participate in FY24 of the Early Childhood Educator Pay Equity Fund, but it is highly encouraged. Child development facilities that do not participate in the Early Childhood Educator Pay Equity Fund, and therefore do not receive CDF payroll funding formula funds, are not required to pay their staff the required minimum salaries but must comply with other District and/or federal laws and requirements regarding worker wages and hours that apply to all employers, including the Fair Shot Minimum Wage Act of 2016, and for child care providers participating in the District's child care subsidy program, the Living Wage Act of 2006. All facilities, regardless of participation in FY24 of the Early Childhood Educator Pay Equity Fund, are required to update staff records in DELLT in accordance with OSSE's licensing regulations.

19. What is the FY24 Early Childhood Educator (ECE) Salary Schedule?

The [FY24 ECE salary schedule](#) (see page 3) is based on the FY23 DCPS salary schedule. Facilities may choose to adopt the recommended scale or develop their own scales differentiating pay based on years of experience, provided that the minimum salary paid to educators in each covered role meets or exceeds the minimum for that educator's credentials as established in the table above.

20. Are child development facilities required to adopt the FY24 ECE salary schedule?

No. Child development facilities are not required to adopt the recommended ECE salary schedule or pay individual staff at specific steps or band levels, based on experience.

21. The FY24 minimum salaries say that an eligible assistant teacher can have less than a CDA, a CDA or an associate degree or higher and that an eligible lead teacher can have a CDA, an associate degree or a bachelor's degree or higher. Are lead teachers and assistant teachers still required to meet the minimum education requirements? (UPDATED January 2024)

Yes. Members of the DC early childhood workforce must meet minimum education requirements based on their position. More information on the credential requirements for teachers, assistant teachers, associate caregivers, home caregivers and expanded home caregivers can be [found here](#).

OSSE recognizes that some eligible lead teachers and assistant teachers may still be pursuing the required credential or be exempt from the requirement due to continuous service certification. Continuous service certifications issued to staff consistent with licensing regulations allow the holder to work in the position for which they hold a certification, but do not affect the educational level used in calculating a facility's CDF formula award or the minimum salary to which an eligible early childhood educator is entitled under the Early Childhood Educator Pay Equity Fund. For example, if a teacher who holds a CDA as their highest credential receives an enrollment-based certification to enable them to continue to work as a lead teacher while enrolled in a degree program and pursuing their associate degree, they would be calculated in the CDF payroll funding formula award as a teacher with a CDA and their employer would be required to pay them the minimum salary applicable to a teacher with a CDA (\$54,262). When the teacher obtains an associate degree or bachelor's degree, the facility's CDF payroll funding formula award will be adjusted the following quarter as long as the facility updates the staff record and includes supporting documentation to prove the new credential was obtained. A facility is not required to pay a teacher or assistant teacher with a continuous service certification or enrollment-based certification a salary greater than the salary associated with the credential the teacher or assistant teacher actually holds but is not prohibited from paying a higher salary.

22. Why is the minimum salary for Pre-K Enhancement and Expansion Program (PKEEP) teachers who have a bachelor's degree different than the FY24 Early Childhood Educator Pay Equity Fund minimum salary requirement for a lead teacher with the same or equivalent credential?

The minimum salary requirement for a PKEEP teacher in FY24, as required by the PKEEP program, is \$63,373. The minimum salary requirement for an eligible lead teacher with a bachelor's degree (or higher) in ECE or a bachelor's degree (or higher) with greater than or equal to 24 credit hours in ECE is \$75,301. The salaries are different because the PKEEP teacher minimum salary requirement is based on a 10-month salary schedule and the FY24 Early Childhood Educator Pay Equity Fund minimum salary requirement for a lead teacher with a bachelor's degree is based on a 12-month salary schedule. **Both annual salaries translate to approximately the same hourly wage rate.** PKEEP teachers are not included in the definition of eligible teachers for the Early Childhood Educator Pay Equity Fund and therefore are not included in a facility's CDF payroll funding formula award. Child development facilities are not required to meet the FY24 Early Childhood Educator Pay Equity minimum salaries for PKEEP teachers.

Calculating a Facility's CDF Payroll Funding Formula Award

23. How will OSSE determine the number of lead teachers and assistant teachers at each facility and their highest credential used to calculate a facility's base award?

A facility's CDF payroll funding formula award will be calculated quarterly based on information provided in DELLT and child care subsidy system. Employees who have one of the following staff types and have the required supporting documentation uploaded correctly in DELLT (e.g., proof of educational qualifications uploaded in the Educational

Qualifications field of the Attachments section, etc.) and a status that is labeled “Approved” or left blank, will be included in the CDF payroll funding formula award calculation:

- Lead teacher: teacher, Montessori teacher, home caregiver, expanded home caregiver
- Assistant teacher: assistant teacher, Montessori assistant teacher, PKEEP assistant teacher or associate caregiver

OSSE will determine the highest credential held by eligible employees as documented in DELLT. All facilities, regardless of participation in FY24 of the Early Childhood Educator Pay Equity Fund, are required to update staff records in DELLT in accordance with OSSE’s licensing regulations.

24. Are PKEEP assistant teachers included in a facility’s CDF payroll funding formula award calculation?

Yes, PKEEP assistant teachers are included in a facility’s award calculation. They are considered “assistant teachers” for the purposes of this program. PKEEP lead teachers are not included in the award calculation. Child development facilities that participate in PKEEP are required to pay PKEEP lead teachers at parity with DC Public Schools (DCPS) teachers. If a PKEEP lead teacher believes their employer is not paying them the required salary for PKEEP lead teachers, they should contact OSSE.DELCommunications@dc.gov for further assistance.

25. Are directors, assistant directors, administrative staff, floaters and/or substitutes included in a facility’s CDF payroll funding formula award calculation?

No. Individuals who have a staff type of director, assistant director, administrative staff, floater and/or substitute in DELLT are not included in a facility’s CDF payroll funding formula award calculation. The task force did not recommend expanding the Early Childhood Pay Equity Fund to individuals in these roles in FY24. However, child development facilities have discretion in how they spend their funding award, as long as they are meeting the minimum salary requirements for eligible lead teachers and assistant teachers and may use the funds to compensate additional staff, including directors, assistant directors administrative staff, floaters, substitutes and individuals employed in other roles.

26. Are substitutes included in a facility’s CDF payroll funding formula award calculation?

No. Substitutes are not included in a facility’s CDF payroll funding formula award payment. See question 23 for more information on the staff types that are included in a facility’s CDF payroll funding formula award calculation.

27. Are individuals who are employed by third-party staffing agencies who work at a child development facility included in a facility’s CDF payroll funding formula award calculation?

No. Individuals who work at child development facilities but are employed by third-party contracting agencies are not included in a facility’s CDF payroll funding formula award

calculation. Further, these individuals should not have records in DELLT as they are not employed by the facility. As a reminder, individuals employed by third-party contracting agencies who work at child development facilities serve as substitutes. The child care licensing regulations define a substitute as: “A person who performs the duties and responsibilities of a teacher or an assistant teacher for a period of one full day but no longer than three consecutive weeks when the assigned teacher or assistant teacher is unavailable due to illness, personal leave or other reasons.”

28. Are employees who have an Individual Taxpayer Identification Number (ITIN) included in a facility’s CDF funding formula award calculation?

A facility’s CDF payroll funding formula is calculated using information from DELLT and the child care subsidy program. A facility’s base award includes all eligible lead teachers and assistant teachers who have approved staff records DELLT with the required supporting documentation. An employee’s staff record must have social security number (SSN) or ITIN and the corresponding field must be up to date in DELLT. More information on the documentation facilities must upload to an employee’s staff record can be found in question 30.

29. How does a child development facility determine the staff type an early childhood educator should be assigned in DELLT?

An early childhood educator’s staff type in DELLT is based on their responsibilities at the facility where they are employed and their qualifications. For example, an individual in the assistant teacher role must carry out the responsibilities that reflect an assistant teacher role as defined in licensing regulations AND have the credentials required for the role. An educator’s staff type in DELLT should reflect the role they spend the majority of their time in. Child development facility leaders with questions about the correct staff type to assign an employee in DELLT should contact their assigned licensing specialist.

30. What documentation is a child development facility required to submit for an employee’s staff record? (UPDATED January 2024)

Please reference the [Staff Record Documentation Checklist](#) for a list of all documentation that must be uploaded to DELLT for every staff record. Supporting documentation must be uploaded correctly in DELLT. For example, documentation of credentials, such as a transcript, certificate or diploma, must be uploaded to Qualifications Supporting Document in the Attachments section of the staff record. Facilities must update staff records individually to include the correct staff type, staff mobile phone number, staff email address, staff home address and staff SSN/ITIN. Child development facility leaders who require support uploading documentation in DELLT should contact their assigned licensed specialist.

31. If a facility that is participating in the program has an eligible lead teacher and/or assistant teacher who achieves a higher credential or transitions to a different staff type, will their CDF payroll funding award payment be updated? (UPDATED April 2024)

Facilities that opt in to FY24 of the Early Childhood Educator Pay Equity Fund will receive quarterly payments calculated using the CDF payroll funding formula. The data used to calculate the formula will be pulled from DELLT and the subsidy system quarterly, on a set date for all facilities. Child development facilities that experience changes in staffing should update staff records in DELLT prior to the deadline for the following quarter (see question 44) and will see approved updates reflected in the following quarterly payment. A facility's CDF payroll funding formula award will be recalculated prior to each quarterly distribution, using information provided by the facility in DELLT and the child care subsidy system. OSSE will not make adjustments to quarterly payment amounts based on any changes in the number of lead and assistant teachers, changes in credentials held by staff or changes in subsidy enrollment that occur after the quarterly deadline prescribed by OSSE. For more information see the guide on [how staffing changes impact CDF payroll funding formula awards](#).

32. Can facilities that offer only OST programming receive CDF payroll funding formula award payments?

Facilities that offer only OST programming are not eligible to participate in the FY24 Early Childhood Educator Pay Equity Fund. Staff types for individuals who work at OST-only programs include group leader or assistant group leader. Teacher and assistant teacher are not allowable staff types for individuals who are employed at OST-only programs. Facilities that offer OST-only programming should ensure staff records in DELLT reflect the appropriate role for those individuals.

How to Participate in FY24

33. I would like my facility to participate in FY24 of the Early Childhood Educator Pay Equity Fund. How do I opt in? (UPDATED April 2024)

All facilities that wanted to participate in the Early Childhood Educator Pay Equity Fund needed to opt-in to the program and enter into an agreement with OSSE. The opt-in process for FY24 of the Early Childhood Educator Pay Equity Fund opened in July 2023 and closed in April 2024. Child development facilities that are already participating in the Early Childhood Educator Pay Equity Fund will continue to receive FY24 payments if they continue to meet the requirements of the program.

34. Are there samples available of the agreement that a provider must sign in order to participate? (NEW September 2023)

Yes. Sample agreements are available to review using the links below.

- [Sample FY24 Early Childhood Educator Pay Equity Fund Provider Agreement \(for non-subsidy providers\)](#)
- [Sample FY24 Early Childhood Educator Pay Equity Fund Provider Agreement Addendum \(for subsidy providers\)](#)

35. The FY24 Early Childhood Educator Pay Equity Fund Provider Agreement and FY24 Early Childhood Educator Pay Equity Fund Provider Agreement Addendum include a provision on the "Hiring of District Residents." If my facility completes

the agreement, will I have to ensure that 51 percent of any new hires in my facility will be District residents? (NEW September 2023)

No. The FY24 Early Childhood Educator Pay Equity Fund Provider Agreement and FY24 Early Childhood Educator Pay Equity Fund Provider Agreement Addendum include standard District of Columbia contracting language related to the hiring of District residents. The hiring requirement applies to newly created positions that are the result of the contract or agreement. That is, if employees are hired for purposes related to the facility's participation in the Early Childhood Educator Pay Equity Fund, 51 percent of new hires should be District residents, per the agreement. The requirement does not apply to existing staff and does not apply to filling vacancies in positions that existed prior to a facility's participation in the Early Childhood Educator Pay Equity Fund. In general, OSSE does not expect that child development facilities will be hiring new staff as a result of complying with the agreement.

36. I own/operate child development facility and have concerns that my business lacks sufficient revenues to meet the minimum salaries for all eligible staff. Are additional supports available? (UPDATED January 2024)

OSSE has established a waiver process in FY24 for child development facilities that lack sufficient revenues to meet the minimum salaries for all eligible staff, even after accounting for increased CDF payroll funding formula awards.

For more information on the requirements to receive a waiver and the timeline and process for submitting a waiver application, please see the [FY24 Waiver Policy](#).

Information for Participating Facilities

37. When will CDF payroll funding formula award payments be distributed to facilities?

CDF payroll funding formula award payments will be disbursed at the following times to facilities that have an executed agreement and meet the criteria to participate in the program for the quarter:

- Quarter One: December 2023
- Quarter Two: March 2024
- Quarter Three: June 2024
- Quarter Four: September 2024

38. Will facilities receive their CDF payroll funding formula award via ACH or paper check?

Facilities selected how they would receive their CDF payroll funding formula award payment during the enrollment process. Payments will be issued to facilities via direct deposit or paper check based upon their selection.

39. How can child development facilities spend their CDF payroll funding formula awards? (UPDATED April 2024)

A facility must use their CDF payroll funding formula award to meet the minimum salary requirements for eligible lead teachers and assistant teachers, unless they have an approved waiver. Should a facility have funds in excess of those required to meet the minimum salaries for all eligible staff covered by the Early Childhood Educator Pay Equity Fund, the facility may use the remaining funds to:

- Pay staff wages or compensation for other child development facility employees.
- Pay costs of health and other fringe benefits for early childhood educators and other child development facility employees.
- Pay administrative costs associated with implementing the minimum salary requirements and/or meeting OSSE requirements related to the Early Childhood Educator Pay Equity Fund.
- Pay direct operating expenses of the facility associated with providing care and early education services to children.

40. Can child development facilities use their CDF payroll funding formula award to pay staff in the form of a bonus rather than as a raise in their pay rate? (NEW January 2024)

No. Child development facilities are required to meet the minimum salary requirements for eligible teachers and assistant teachers through fixed pay raises following receipt of the facility's first quarterly payment.

41. When are facilities required to start paying eligible staff the minimum salaries? (UPDATED April 2024)

Facilities must pay eligible staff wages or salaries that meet or exceed the minimum salary requirements in the first payroll cycle after the facility receives their first quarterly payment, unless they have an approved waiver. Facilities must meet the minimum salary requirements through hourly wages or annual salaries paid to employees through their regular paycheck.

OSSE will conduct monitoring on a quarterly basis and will require that facilities provide record of payroll following payment disbursement.

42. If a facility hires an early childhood educator in an eligible role after the facility's CDF payroll funding formula award is calculated, when is the facility required to begin paying the early childhood educator the FY24 minimum salary? (UPDATED April 2024)

Child development facilities are required to pay all eligible staff the minimum salary aligned to their staff type and highest credential, unless they have an approved waiver. If an early childhood educator is hired in an eligible role after the facility's CDF payroll funding formula award is calculated, the facility must create a staff record in DELLT for the new hire and include all required supporting documentation. The facility must pay the early childhood educator the minimum salary following OSSE approval of the early childhood educator's staff record in DELLT. For more information see the guide on [how staffing changes impact CDF payroll funding formula awards](#).

43. If a facility has eligible staff who achieve a new credential that increases their FY24 minimum salary, when is the facility required to begin paying the increased salary? (UPDATED April 2024)

Child development facilities are required to pay all eligible staff the minimum salary aligned to their staff type and highest credential, unless they have an approved waiver. If an early childhood educator earns a new credential that changes their minimum salary the facility must update the educator's staff record in DELLT to reflect the new credential with supporting documentation. The facility must pay the early childhood educator the minimum salary aligned to their role and highest credential following OSSE's approval of the staff record in DELLT. For more information see the guide on [how staffing changes impact CDF payroll funding formula awards](#).

44. What is the deadline for facilities to update staff records in DELLT each quarter? (NEW January 2024)

Child development facilities must review and update staff records each quarter by the following dates:

- Quarter One: Nov. 6, 2023
- Quarter Two: Jan. 31, 2024
- Quarter Three: April 30, 2024
- Quarter Four: July 31, 2024

Please note, the deadlines above are for facilities to upload supporting documentation and make updates, as necessary, to staff records. These are not deadlines for staff records to be approved. Following each quarterly deadline, assigned licensing specialists will review newly uploaded documentation and other updates to staff records for approval.

45. Will a facility's CDF payroll funding formula award cover the entire cost of salaries to meet the minimum salary requirements for eligible lead teachers and assistant teachers?

A facility's CDF payroll funding formula award is meant to help the facility reach the minimum salary requirements for eligible lead teachers and assistant teachers (as defined for purposes of the Early Childhood Educator Pay Equity Fund). Child development facilities are to use their CDF payroll funding formula award, in addition to funding they receive from other salaries (e.g., family tuition payments, child care subsidies, Head Start or Early Head Start funds), to meet the required salaries. Child development facilities are not expected to meet the minimum salaries until after they have received their first CDF payroll funding formula award payment.

46. Will OSSE issue award statements to facilities? (UPDATED April 2024)

Yes. OSSE will issue award statements to participating facilities each quarter. Award statements include the total CDF payroll funding formula award payment for the quarter and a list of all eligible staff included in the calculation, their highest credential as documented in DELLT and their associated wage supplement. Award statements will be

recalculated each quarter using information provided in DELLT and the child care subsidy system. Facilities can access their quarterly award statement in DELLT. Providers who require support accessing their award statement in DELLT should contact OSSE.ECEPayEquity@dc.gov for support. For more information, see the guide on [how to access and understand quarterly award statements in DELLT](#).

47. Are facilities responsible for paying taxes on their CDF payroll funding formula award payments? (UPDATED January 2024)

CDF payroll funding formula awards are revenues received by child development facilities and must be reported as such in the provider's tax filing/reporting. Child development facilities are also responsible for paying employer payroll and other taxes and withholding taxes on wages and salaries paid to their employees, including wages and salaries increased as a result of the provider's participation in the Early Childhood Educator Pay Equity Fund. Child development providers with questions about how receipt of Pay Equity Funds may affect the provider's tax liability are encouraged to consult with their accountant or another tax professional.

48. Are child development facilities required to submit documentation to OSSE showing how they used their CDF payroll funding formula award? (UPDATED January 2024)

Child development facilities are required to submit payroll records or related documents to OSSE on a quarterly basis, after receipt of the first quarterly payment, to demonstrate they are meeting the minimum salary requirements of the Early Childhood Educator Pay Equity Fund. All providers will be monitored during the fiscal year. OSSE may request additional documents such as offer letters or contracts, in addition to payroll documents, to verify compliance with the minimum salaries. Providers with approved waivers must submit documentation to show that CDF payroll funding formula awards were used only to raise wages for eligible educators, pay administrative costs associated with meeting OSSE requirements related to the Early Childhood Educator Pay Equity; and/or pay costs of health and other fringe benefits for facility employees. Facilities without waivers are not required to demonstrate how CDF payroll funding formula awards are spent outside of meeting minimum salary requirements.

49. My facility has updated its Employer Identification Number (EIN). Do I need to notify OSSE? (NEW January 2023)

Yes. Facilities that change their EIN must notify OSSE immediately by taking the following steps:

- Submitting the following information to their assigned licensing specialist:
 - A request to change the EIN, including the reason for the change;
 - A copy of the new IRS-issued tax ID letter; and
 - DC Clean Hands certificate with the same name and tax ID number.
- Sending an email to OSSE.ECEPayEquity@dc.gov to notify the Early Childhood Educator Pay Equity Fund team. The team will assist you in updating your DIFS registration.

Questions?

For questions about [FY24 of the Early Childhood Educator Pay Equity Fund](#), [FY24 CDF payroll funding formula](#) or [FY24 minimum salaries and salary schedule](#) for the early childhood educators, please email OSSE.ECEPayEquity@dc.gov.