RECOGNIZEB5 PROGRAM OVERVIEW: 2024-2025 AND 2025-2026 PROGRAM YEARS

RECOGNIZEB5 EDUCATOR INCENTIVE: RecognizeB5 is an important component of VQB5 that provides direct financial incentives to support retention of teachers at ECCE publicly-funded child care centers and family day homes, thereby reducing workforce turnover. Since 2019, RecognizeB5 has provided a financial incentive to help attract and retain eligible early childhood educators in publicly-funded child care centers and family day homes that are participating in VQB5. RecognizeB5 has proven to be an important program that has supported thousands of child care and family day home educators during Virginia's recovery from the COVID-19 pandemic.

CHANGES TO RECOGNIZEB5 FOR 2024-2025 AND 2025-2026: In recent years, RecognizeB5 has been supported with a combination of over 40 million dollars per year of federal and state funding, with the primary funding source being federal COVID recovery funding. While the state has made a significant investment in RecognizeB5 of 20 million dollars for the 2024-2025 year, federal COVID recovery funding is scheduled to end in September 2024. This will impact future payments for RecognizeB5 as follow:

- For 2024-2025: Lead and assistant educators will be eligible for a maximum of \$1,500.
 - o This will be primarily supported through state funding from the 2024 Virginia State Budget.
 - The incentive will be distributed in two equal payments (\$750 per payment) for eligible educators.
- For 2025-2026: Currently there are no funds for RecognizeB5 in the 2025-2026 state budget. This means that there would <u>not</u> be an incentive for educators in 2025-2026.

As in prior years, RecognizeB5 is open to eligible lead and assistant educators working in ECCE publicly-funded child care centers and family day homes that are <u>participating in VQB5</u>.

ELIGIBILITY: To be **ELIGIBLE** to receive **RecognizeB5 in 2024-2025**, lead and assistant educators are **REQUIRED** to:

- Register in LinkB5 between August 15 and October 1, 2024, as an educator working at a publicly-funded ECCE site that is actively participating in VQB5. NOTE: Educators who are employees of public school divisions are NOT eligible, and
- 2. **Teach** in a **birth-5** classroom (children NOT yet in kindergarten) **at least 30 hours per week** at the time of registration in LinkB5 and continuously teach at the same site from October 1, 2024, through April 30, 2025, and,
- 3. **"Opt-in"** via a consent form (email sent from RecognizeB5@vecf.org) to participate in RecognizeB5 and submit a current and valid W-9 form.

Publicly-funded ECCE sites MUST MEET VQB5 eligibility requirements and complete ALL required participation activities for their educators to be eligible for RecognizeB5. Educators who DO NOT maintain these requirements will NO LONGER BE ELIGIBLE to receive payments during the VQB5 program year

Educators employed by public school divisions in the Commonwealth <u>ARE NOT</u> eligible – however, educators working in programs participating in VQB5 that are co-located in a public school building (including Head Start) <u>ARE</u> eligible if they <u>ARE NOT</u> employed by a public school division.







PERIODIC EMPLOYMENT VERIFICATION AND PAYMENT SCHEDULE: To ensure participants have maintained eligibility to receive incentive payments, educators will be periodically verified by their site leaders as continuously teaching in a birth-5 classroom setting for **at least** 30 hours per week for the entirety of **EACH** employment period. Site leaders will be required to confirm this information **prior** to the disbursement of funds. The anticipated payment schedule is as follows:

| Employment Period Required | Employment Verification Requested from SITE LEADERS | Payment Amount per Employment Period | Payment Schedule |
|--------------------------------------|---|--------------------------------------|------------------|
| October 1, 2024 – January 12, 2025 | January 2025 | \$750 | February 2025 |
| January 15, 2025 – April 30, 2025 | May 2025 | \$750 | June 2025 |

TAX IMPACT AND OTHER IMPLICATIONS: It is expected that most participants will receive more than \$600 per calendar year and these payments should be considered and treated as taxable income. As such, VECF is required to issue recipients an IRS Form 1099-MISC acknowledging the total funding received through RecognizeB5. VECF and its VQB5 partners CANNOT provide legal, tax, or accounting advice; any information provided is intended to be general in nature and recipients are strongly encouraged to consult their own professional tax, accounting, and legal advisors on tax matters.

CONTACT INFORMATION: For questions regarding RecognizeB5, visit the <u>RecognizeB5 Help Center</u>, contact the VECF RecognizeB5 Team via email (RecognizeB5@vecf.org), or call 804-358-8323, EXT 129.





