# 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.
  - 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 **<u>ELIGIBLE</u> to receive <b>RecognizeB5 in 2024-2025**, lead and assistant educators are **<u>REQUIRED</u>** to:

- 1. **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 <u>NOT</u> 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** <u>MUST MEET</u> VQB5 eligibility requirements <u>and</u> complete ALL required <u>participation</u> <u>activities</u> for their educators to be eligible for RecognizeB5. Educators who <u>DO NOT</u> maintain these requirements will <u>NO LONGER BE ELIGIBLE</u> 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<br>Verification Requested<br>from SITE LEADERS | Payment Amount<br>per Employment<br>Period | Payment Schedule |
|---------------------------------------|---|--|------------------|
| October 1, 2024 – January 12,<br>2025 | January 2025  | \$750                                      | February 2025    |
| January 15, 2025 – April 30,<br>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.







## RECOGNIZEB5 PROGRAM 2024-2025: FREQUENTLY ASKED QUESTIONS (FAQ)

NOTE: This FAQ is intended to be a supplement to the 2024-2025 RecognizeB5 Program Overview document which contains additional details about the program.

## PROGRAM GUIDELINES, STRUCTURE, AND ELIGIBILITY

Question: What are the basic eligibility requirements for TEACHERS to participate in RecognizeB5?

**Response:** To participate in RecognizeB5, educators MUST be working directly with children ages birth to five (children not in kindergarten) in a **CLASSROOM SETTING** for at least **30 hours per week** at a **publicly-funded** child care site or family day home that registered for and is actively participating in VQB5. Educators <u>MUST ALSO</u> <u>REGISTER</u> in LinkB5 between August 15 and October 1, 2024, in order to participate in RecognizeB5. Educators must meet and maintain the criteria listed above in order to maintain participation in RecognizeB5.

**Question:** Information that could impact RecognizeB5 eligibility for my <u>SITE</u> **OR** my <u>TEACHING STATUS</u> was <u>input</u> <u>incorrectly</u> in LinkB5 during the VQB5 registration period (August 15 - October 1, 2024). What should I do?

**Response:** The RecognizeB5 program uses information reported by Site Administrators during each employment verification period to determine ongoing eligibility to receive incentive payments. However, if information input in LinkB5 during registration regarding a SITE's public funding status **OR** a TEACHER's working status was <u>reported incorrectly</u> as part of a completed site or educator profile, please contact the RecognizeB5 Team at <u>RecognizeB5@vecf.org</u> **no later than December 1, 2024** for further instructions.

**Question:** Why is an educator working with children ages birth to five (children not in kindergarten) and employed by a public school division <u>NOT</u> eligible to participate in RecognizeB5?

**Response:** Educators employed by public school divisions are not eligible for RecognizeB5. This determination was made due to the limited availability of funds and a commitment to more fully support child care educators who are less financially compensated and more likely to experience high rates of turnover which can negatively impact teacher-child interactions.

**Question:** If an EDUCATOR registered for participation in VQB5 through LinkB5 does this mean that they will <u>definitely</u> be eligible for the RecognizeB5 Program?

**Response:** Registering for VQB5 in LinkB5 <u>DOES NOT</u> guarantee participation in RecognizeB5. Educators must first <u>MEET</u> the stated eligibility requirements and then actively "<u>OPT-IN</u>" to receive the financial incentive. All <u>eligible</u> SITES and EDUCATORS will be contacted by the RecognizeB5 Team within 30 days after the close of VQB5 registration (October 1, 2024).

## Question: How do educators "OPT-IN" to receive the financial incentive from RecognizeB5?

**Response:** After VQB5 registration closes, all **eligible** educators will receive an **email** from RecognizeB5 (<u>RecognizeB5@vecf.org</u>) that requests **consent to participate** <u>AND</u> also requests that educators submit an IRS **W-9 Form** (the W-9 Form must be completed and reviewed for accuracy before being accepted as valid). All sensitive information included on the W-9 Form will be held securely and ONLY used to disburse payments and complete required tax forms for the RecognizeB5 program. See more information below about "**Tax Related Matters**."

#### **MAINTAINING ELIGIBILITY**

**Question:** After registering for VQB5, a teacher **voluntarily** moved from the SITE where they first registered to another SITE participating in VQB5. Will they still be able to receive the RecognizeB5 incentive?

**Response:** Retaining and rewarding talented educators and providing consistency for young children is key to improving early learning experiences in child care settings. As such, **movement of educators among different sites** <u>DISQUALIFIES</u> them from eligibility for the RecognizeB5 incentive for the rest of the VQB5 program year whether or not the new site is actively participating in VQB5. If educators move to a new site, they will receive incentive payments for each employment period\* in which their continued working status was verified <u>BEFORE</u> they moved to a different site. Beyond that, they will **NOT** be eligible for additional incentive payments during that specific VQB5 program year.

\*Please see employment periods below.

Question: What are the 2024-2025 RecognizeB5 employment periods?

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

Response: EMPLOYMENT PERIODS for the 2024-2025 RecognizeB5 Program are displayed below.

**Question:** During part of the program year, an educator was away from their site (physically unable to teach at least 30 hours in a birth-to-five classroom) due to maternity leave, family medical leave, sick leave, or other site-approved leave like vacation. Will they still be eligible to receive the financial incentive?

**Response:** In cases where educators are temporarily away from their site on **approved leave** during an employment period, educators may maintain eligibility to receive the incentive, partially or in full, if their site considers them to remain continually employed during the approved time away from the classroom. For educators to qualify for this exception, they MUST have at least worked a **combined 30 hours** directly with children ages birth to five (children not in kindergarten) in a CLASSROOM SETTING within the employment period. **Of note, an agreement between the site and educator** to reduce an educator's hours to accommodate work or schooling outside of the site (unrelated to site operations) does <u>NOT</u> constitute site-approved leave.

**Question:** At the time an educator registered for VQB5 they were working directly with children ages birth to five at least 30 hours per week. The educator <u>voluntarily</u> asked their site to reduce their hours below 30 hours per week. Will they still be eligible to receive the financial incentive?

**Response:** Educators will be eligible to receive the incentive for each employment period (see above) in which their continued working status was verified **<u>BEFORE</u>** they voluntarily reduced their working hours below 30 hours per week. Beyond that, they will **<u>NOT</u>** be eligible for incentive payments.

**Question:** At the time an educator registered for VQB5 they were working directly with children ages birth to five in a classroom setting. They are now **NO LONGER** working with children in this age range. Will educators still be eligible to receive the financial incentive?

**Response:** RecognizeB5 is designed to support educators working directly with children ages birth to five years (children not in kindergarten). Educators will be eligible to receive incentive payments for each employment period (see above) in which their continued working status was verified **<u>BEFORE</u>** they stopped working directly with children ages birth to five years. Beyond that, they will **<u>NOT</u>** be eligible for incentive payments.

**Question**: At the time a site registered for VQB5 they were open and in operation, actively serving at least three (3) unrelated children ages birth to 5 (children not in kindergarten). After registration, the site is no longer operating <u>OR</u> no longer serving at least three (3) unrelated children ages birth to five. Will educators at the site still be eligible to receive the financial incentive?

**Response:** If a SITE closes during an employment period (see above), educators will be eligible to receive incentive payments for each employment period in which their continued working status was verified **BEFORE** the site closed or stopped serving at least three (3) unrelated children ages birth to five. Beyond that, educators at the site **will NOT be eligible** for incentive payments. This does not apply to temporary site closures, such as for facility repairs, holidays, or staff training days.

**Permanently closed sites or classrooms** are those sites that are no longer operating full-time and/or no longer serving at least three (3) unrelated children and are not expected to reopen full-time or serve three or more unrelated children at any point during the fall or spring observation window. (Section 3.3.1 of <u>VQB5 2024-2025</u> <u>Guidelines</u>)

#### PROGRAM PAYMENTS

**Question:** WHY does the continued employment of educators need to be verified by a Site Administrator **<u>BEFORE</u>** they are issued an incentive payment?

**Response:** Program eligibility guidelines require that educators periodically be verified as 1) continuously employed at the SITE where they initially registered for participation in VQB5, and 2) working directly in a classroom of children ages birth to five years (children not in kindergarten) for at least 30 hours per week.

Question: WHEN will educators receive incentive payments from RecognizeB5?

**Response:** Please see the <u>EMPLOYMENT PERIODS</u> table above which contains the 2024-2025 payment schedule for RecognizeB5.

Question: WHAT can educators do with the incentive payment(s) they receive from RecognizeB5?

**Response:** Educators can determine how to use the funds received based on their own personal situation and needs. There is <u>no expectation</u> and there is <u>no rule</u> that educators use this financial incentive for work-related expenses.

Question: HOW will educators receive incentive payments?

**Response:** Paper checks will be mailed to the address listed on participant IRS W-9 Forms. Educators are notified by email when a payment has been mailed and is on its way. Direct deposit is <u>NOT</u> an option to receive payments. To ensure payments are mailed to the **CORRECT ADDRESS**, please contact <u>RecognizeB5@vecf.org</u> if the address provided on your W-9 Form <u>changes AFTER</u> it is submitted. A new W-9 Form will need to be submitted with the updated address. Changes to the address listed in a educator's LinkB5 profile <u>WILL NOT</u> be used as a source for updating the payment mailing address for RecognizeB5.

VECF: RecognizeB5 Program Year 2024-2026: Frequently Asked Question | Updated July 2024 | Page 3 For other questions about RecognizeB5 please visit the online <u>Help Center</u> or email <u>RecognizeB5@vecf.org</u> for direct assistance. Question: Do educators have to cash/deposit the incentive check immediately after receiving it?

**Response:** Educators are <u>strongly encouraged</u> to cash/deposit their incentive check as early as it is convenient. The <u>expiration date</u> of each check is **90 days from the date of issuance listed on the payment**. If checks are NOT cashed/deposited prior to expiration, they will NOT automatically be reissued without additional confirmation required from participants.

Question: What if educators encounter a problem cashing or depositing the incentive payment check?

**Response:** Please email <u>RecognizeB5@vecf.org</u> for direct assistance.

Question: How will educators recognize the check when it arrives by mail?

**Response:** The RecognizeB5 payment will arrive in an envelope that is similar to the one below. All payments are processed by a vendor in California with an estimated delivery of 15-18 days from the mailing date.

| Payment Operations<br>P.O. Box 61076<br>Palo Alto, CA 94306-1076 | PAYMENT ENCLOSED                        | FIRST-CLASS MAR<br>U.S. PORTAGE<br>PAID<br>LOOMS, UT<br>PERMIT ST1 |
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| FORMANDING SERVICE REQUESTED                                     |   |  |
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### TAX RELATED MATTERS

Question: Why are educators required to submit an IRS W-9 Form to participate in RecognizeB5?

**Response:** It is the expectation that most <u>eligible</u> educators in RecognizeB5 will receive most or all incentive payments during the program year. By law, any participants receiving more than \$600 in a calendar year MUST receive an IRS 1099 Form from the Virginia Early Childhood Foundation (VECF) the following January. Information obtained from participant W-9 Forms will enable VECF to comply with IRS reporting requirements. **Payments will NOT be issued to participants until a completed, signed, and validated W-9 Form is received.** 

**Question:** Why are educators asked to submit a W-9 Form even if they participated in RecognizeB5 in a **PRIOR** year and submitted one at that time?

**Response:** The law requires that RecognizeB5 Program participants submit a W-9 Form for <u>EACH</u> program year of participation to ensure that records are maintained and up-to-date for payments as well as for tax reporting purposes.

**Question:** What should educators do if they have questions about the impact of receiving this incentive on their tax status?

**Response:** VECF and its VQB5 partners <u>CANNOT</u> provide legal, tax, or accounting advice. Any information provided for the RecognizeB5 program is intended to be general in nature. RecognizeB5 participants are <u>STRONGLY ENCOURAGED</u> to consult their own professional tax, accounting, and/or legal advisors on tax matters. Please remember that VECF cannot provide guidance related to anything that concerns individual tax status, accounting, or legal advice.

VECF: RecognizeB5 Program Year 2024-2026: Frequently Asked Question | Updated July 2024 | Page 4 For other questions about RecognizeB5 please visit the online <u>Help Center</u> or email <u>RecognizeB5@vecf.org</u> for direct assistance.