

**2024-25 KEYSTONE STARS CONTINUOUS QUALITY IMPROVEMENT AWARD  
ELIGIBILITY AND ACCEPTANCE LETTER**

Date: \_\_\_\_\_  
Provider Location Name: \_\_\_\_\_  
Provider MPI Number: \_\_\_\_\_  
Provider Address: \_\_\_\_\_  
Provider City, State Zip Code: \_\_\_\_\_

**Return Information:**  
Early Learning Resource Center #  
ELRC Contact Name  
Address  
City, State Zip Code  
Phone Number  
Email Address  
Fax Number

Dear Child Care Provider,

ELRC \_\_\_\_\_, on behalf of the Department of Human Services (DHS) and the Office of Child Development and Early Learning (OCDEL), is pleased to inform you of your program's eligibility to receive a Keystone STARS Continuous Quality Improvement Award (STARS CQI Award). This award is being made available to STAR 2, 3, and 4 providers who meet the eligibility requirements detailed in [Policy Announcement ELRC 24 #02](#).

You are eligible to receive up to \$ \_\_\_\_\_ in award funding. To receive this funding, you must complete, sign, and return this Eligibility and Acceptance Letter to the ELRC on or before **December 13, 2024**, via the email address, postal address, or fax number provided in the box above. The ELRC will issue payment no later than **December 27, 2024**, following receipt of your completed and signed Eligibility and Acceptance Letter.

Award funds must be spent on allowable expenses related to the Keystone STARS Performance Standard categories, as outlined below, and detailed in the attached Appendix.

- Staff Qualifications and Professional Development
- Early Childhood Education Program
- Partnerships with Families and Communities
- Leadership and Management
- Accreditation (OCDEL Approved Alternate Pathways)

NOTE: Award funds can be applied to eligible expenses incurred from July 1, 2024, to February 28, 2025.

As a requirement, you must report how award funds were spent. You must also keep original receipts and documentation of all expenses and purchases made with award funds. You will receive additional reporting instructions with your award payment.

- I accept the full STARS CQI Award in the amount of \$ \_\_\_\_\_.
- I accept a portion of the STARS CQI Award in the amount of \$ \_\_\_\_\_.
- I decline the STARS CQI Award.

By accepting the STARS CQI Award and signing this document, you understand the penalty for misleading a public servant or falsifying information is a misdemeanor of the third degree pursuant to Title 18, Section 4903(b) of the PA Crimes Code and you can be penalized by fine, jail, prison, subsidized child care ineligibility, or a mixture of these four options for making any false statements.

Additionally, by accepting the STARS CQI Award funds you are agreeing to accept the requirements of the award, including the completion and submission (to the ELRC) of the one-page Final Expense Report (FER), and following all other requirements in the attached Appendix I.

Signature: \_\_\_\_\_ Email Address: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Date: \_\_\_\_\_

**2024-2025 KEYSTONE STARS CONTINUOUS QUALITY IMPROVEMENT AWARD  
LEGAL REQUIREMENTS**

- I. When the ACCEPTANCE LETTER is signed it becomes official and legally binding and the signee (and the child care program) is the AWARDEE.
- II. This ACCEPTANCE LETTER is effective September 3, 2024 and will end on June 30, 2025.
- III. The EARLY LEARNING RESOURCE CENTER will disburse funds to the AWARDEE in one lump-sum payment.
- IV. The AWARDEE agrees to:
  - A. Follow all requirements specified in [Policy Announcement ELRC 24 #02](#).
  - B. Spend award funds for allowable expenses by no later than February 28, 2025.
  - C. Return funds unspent by the end of the award period to the EARLY LEARNING RESOURCE CENTER.
  - D. A Final Expense Report will be sent by the EARLY LEARNING RESOURCE CENTER to each AWARDEE. The AWARDEE must enter the report in PELICAN Provider Self Service (PSS) or send to the EARLY LEARNING RESOURCE CENTER by March 28, 2025.
    - On the Final Expense Report, the AWARDEE must report any unspent award funds. The AWARDEE must make a check payable for this amount and send to the EARLY LEARNING RESOURCE CENTER no later than March 28, 2025.
    - The EARLY LEARNING RESOURCE CENTER will enforce the [Keystone STARS Status Review, Reduction, Suspension, & Removal Process](#) to recoup outstanding funds owed by the AWARDEE for any Keystone STARS Program. This can include reporting the provider to the Office of State Attorney General (OAG).
  - E. Obtain and keep records of how the AWARDEE spent the award funds. If the AWARDEE is selected for onsite and/or virtual award monitoring by the EARLY LEARNING RESOURCE CENTER or DEPARTMENT, the AWARDEE must provide original, unaltered receipts and documents for review. Purchase amounts on all receipts must be clear. The AWARDEE must keep these records for auditing/monitoring purposes at a location accessible to representatives of the EARLY LEARNING RESOURCE CENTER, DEPARTMENT, or authorized federal agency representatives for a minimum of seven years after the expiration or termination of this AWARD ACCEPTANCE LETTER.
  - F. Return all award funds determined by the EARLY LEARNING RESOURCE CENTER or the DEPARTMENT to be improperly spent. If a financial review by the EARLY LEARNING RESOURCE CENTER or any state or federal agency determines award funds were not properly spent, the AWARDEE must return to the EARLY LEARNING RESOURCE CENTER all funds spent on any purchases or services that do not meet the requirements of the award. If the AWARDEE does not return the funds, the EARLY LEARNING RESOURCE CENTER may suspend the Keystone STARS designation of the AWARDEE and refer the AWARDEE to the OAG.
  - G. Allow the EARLY LEARNING RESOURCE CENTER, DEPARTMENT, or other authorized state or federal agency representatives access to the site where the AWARDEE's financial records are kept and allow representatives of these agencies to examine all records concerning the award payment.
  - H. Cooperate and participate in monitoring activities upon request by representatives of the EARLY LEARNING RESOURCE CENTER or the DEPARTMENT.
  - I. Notify the EARLY LEARNING RESOURCE CENTER of intention to close the AWARDEE program. The AWARDEE in turn will work with the EARLY LEARNING RESOURCE CENTER to facilitate items purchased with CQI Award funds to be distributed to other STARS programs in the event the AWARDEE closes the facility, or the business goes into foreclosure or bankruptcy. Items purchased using CQI Award funds may not be resold or used as collateral to satisfy debts, liens, or other obligations.
  - J. Follow requirements for use of Federal Child Care and Development Funds (CCDF). Federal CCDF regulations prohibit use of CCDF-funded awards for construction, including the purchase or improvement of land, or for the purchase, construction, or permanent improvement of any building or facility. Minor renovations at the AWARDEE location are permitted; however, requirements and limitations are detailed in [Policy Announcement ELRC 24 #02](#).
  - K. Adhere to and maintain all local, state, and federal requirements applicable to the operations of the AWARDEE.
- V. If the EARLY LEARNING RESOURCE CENTER or the DEPARTMENT suspects or is made aware of potential fraud, the DEPARTMENT may refer the AWARDEE to the Office of State Inspector General (OSIG) for criminal or civil investigation.

**2024-2025 KEYSTONE STARS CONTINUOUS QUALITY IMPROVEMENT AWARD  
SUPPLEMENTARY INFORMATION**

**Monitoring**

Monitoring activities will occur in Summer 2025. A provider chosen for monitoring will be given advanced notice by the ELRC or DHS. Providers must submit original, unaltered receipts and documents for review. Providers must keep these records at a location accessible to representatives of the ELRC, DHS or authorized federal agency representatives for a minimum of seven years after the expiration of the Award.

**Failure to Submit a Final Expense Report (FER) or Return Unspent Award Funds**

Providers issued an Award must submit a FER and return unspent Award funds to their ELRC by the deadline (March 28, 2025). Providers who fail to meet the requirements will be subject to the Dunning Cycle as detailed in [Commonwealth Management Directive 310.10](#). OCDEL's Dunning Cycle will consist of three letters informing providers of the spending and reporting requirements they agreed to in the Award Eligibility and Acceptance Letter. Failure to respond to the Dunning Cycle will result in an additional letter informing providers of referral to OAG and their Keystone STARS suspension\*. The OAG is statutorily authorized to collect delinquent debt for state agencies pursuant to 71 P.S. § 204(c).

**Returning Funds - Repayment Plans**

Repayment plans may be offered by an ELRC if a provider must return Award funds to the commonwealth. When a provider agrees to a repayment plan with an ELRC and misses making a payment, the provider will forgo the Dunning Cycle and be referred to OAG for recoupment of funds.

**Allowable Expenses**

The following chart details examples of allowable expenses for the Award and the corresponding Keystone STARS Standards Category. If there are questions as to whether an expense is eligible or need clarification on the examples provided, a provider should contact their ELRC.

Keystone STARS Standards Category	CQI Award Allowable Expense Categories
Early Childhood Education Program	Health & Safety Equipment
Early Childhood Education Program	Curriculum & Developmental Assessments/Screenings for Children
Early Childhood Education Program	Training & Supports for Child Suspension/ Expulsion Best Practices and Policies
Early Childhood Education Program	Program Materials, Supplies, & Equipment
Early Childhood Education Program	Ongoing Program Operating Expenses & Minor Renovations
Leadership and Management	Health Care Professional or Health Care Consultant Services
Leadership and Management	Business Practice Training & Technical Assistance including Program Administration Scale (PAS) or Business Administration Scale (BAS) Activities/ Training
Leadership and Management	Staff Benefits, Wage Increases, Retention Bonuses and Associated Employer Payroll Taxes
Leadership and Management	Child Care Shared Services
Leadership and Management	Individual Paid Memberships for Staff in Professional Early Learning Organizations
OCDEL Approved Alternate Pathways	Accreditation Costs
Partnerships with Families and Communities	Parent & Family Supports including Workshops and Connections to Community Resources
Partnerships with Families and Communities	Family Engagement Training & Technical Assistance including Strengthening Families Framework Activities/Training or Similar Evidence Based Tool
Partnerships with Families and Communities	Translation and Interpreter Services
Staff Qualifications and Professional Development	Professional Development including Coursework, Conference Attendance, and Other Associated Costs including Substitute Teacher Coverage

**Approved Alternate Pathways/Accreditations**

The following are OCDEL-approved Alternate Pathways and their corresponding STAR designation. Providers issued an Award are permitted to use funds for associated costs of accreditation.

<b>Accrediting Agency</b>	<b>STAR Designation</b>
Association of Christian Schools International Accreditation (ACSI)	STAR 3
Head Start/Early Head Start	STAR 4
Montessori Recognition or Accreditation (AMS/AMI)	STAR 4
National Association for Family Child Care Accreditation (NAFCC)	STAR 4
National Early Childhood Program Accreditation (NECPA)	STAR 4
School Age Child Care Accreditation through Council of Accreditation (COA)	STAR 4
Compliant 21 <sup>st</sup> Century Community Learning Centers	STAR 4
National Association for the Education of Young Children Accreditation (NAEYC)	STAR 4

\* Suspension of Keystone STARS tiered reimbursement for Child Care Works (CCW) enrollments and ineligibility for future grants/awards.