

Office of Regulatory Management
Economic Review Form

Agency name	Virginia Board of Education
Virginia Administrative Code (VAC) Chapter citation(s)	n/a
VAC Chapter title(s)	n/a
Action title	Administrative updates to Virginia’s Child Care Subsidy Program Guidance Manual (T226)
Date this document prepared	5/19/26
Regulatory Stage (including Issuance of Guidance Documents)	Updates to guidance only

Summary of Actions Analyzed in Economic Review

VDOE is proposing administrative updates to the Child Care Subsidy Program (CCSP) Guidance Manual in the following two categories:

- 1) **Resulting from the 1 December 2025 implementation of VDOE’s new attendance tracking system: Child Care Provider Attendance and Scheduling System (PASS).** Revisions were made throughout the manual in response to the sunset of the Electronic Payment Processing Information Control (EPICC) and Virginia Electronic Child Care (VaECC) Systems, to include the update of associated system terms and attendance tracking guidance.
- 2) **Policy and Process Clarifications requested by local caseworkers.** Edits were made to clarify expectations, provide additional examples, and address specific gaps in guidance.

These changes have no measurable cost impact, as noted in the below review. Additional revisions to the Guidance Manual are NOT summarized in this economic review because they are no-cost, editorial changes.

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Note: this section focuses on costs and benefits experienced by the state, including VDOE and VDSS. Costs and benefits experienced by families, local partners, and small businesses (child care providers) are described in subsequent sections below.</p> <p>Direct Costs: None</p> <p>Indirect Costs: None</p> <p>Direct Benefits: None</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	<p>If VDOE were to leave the guidance manual unchanged, the documents would be out of alignment with current attendance tracking systems, processes, and guidance. This could create confusion and mistrust.</p>	
(5) Information Sources	N/A	

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: None</p> <p>Indirect Costs: None</p> <p>Direct Benefits: None</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Local caseworkers must spend time reviewing updated guidance, adapting to the new attendance tracking system processes, and clarified expectations. A monetary cost is not calculated here, as improvements to the organizational structure and clarity of the guidance manual will save time and it is estimated that these zero each other out.</p> <p>Indirect Costs: None</p> <p>Direct Benefits: None</p> <p>Indirect Benefits: Local caseworkers do not have visibility of the Child Care PASS system, and thus their previous responsibilities for reviewing attendance issues have been removed in guidance.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Assistance	VDOE and VDSS are providing local caseworkers with resources and tools to support their implementation of these policies.	
(5) Information Sources	N/A	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The change to allow families who report job loss at redetermination to be placed directly into 90-day conditional approval for job search when certain conditions apply has not been assigned a monetary cost as the updated process will prevent unnecessary break in care and reduce administrative burden for families.</p> <p>Indirect Costs: None</p> <p>Direct Benefits: None</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	

(4) Information Sources	N/A
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Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: None</p> <p>Indirect Costs: Child care providers will need to spend time learning and adopting the new attendance tracking guidance that is particular to the Child Care PASS System.</p> <p>Direct Benefits: None</p> <p>Indirect Benefits: Child care providers may use Child Care PASS and/or state-issued tablets to track attendance for their non-subsidized children (whose data will not be transferred to the state).</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Alternatives	None	
(5) Information Sources	N/A	

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

Note: the revisions to regulation do not add or take away regulations, they simply revise existing language.

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
N/A	(M/A):				
	(D/A):				
	(M/R):				
	(D/R):				
				Grand Total of Changes in Requirements:	(M/A):
					(D/A):
					(M/R):
					(D/R):

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
Child Care Subsidy Program Guidance Manual	71,962	72,438	476

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).