

Planning Update: Coronavirus Response and Relief Supplemental Appropriations Act & American Rescue Plan Act of 2021

Background information relating to Alaska's activity and plan

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) allocated \$10 billion in supplemental funding for the Child Care and Development Fund (CCDF) to prevent, prepare for, and respond to the COVID-19 public health emergency.

In April 2021, the American Rescue Plan Act (ARPA) allocated \$39 billion in funds for states, territories, and tribes to address the child care crisis caused by COVID-19. These funds provide a lifeline to hundreds of thousands of child care providers and early childhood educational entities, a safe and healthy learning environment for more than five million children, and extra help for parents to get back to work.

Alaska has been proactive in getting relief funds to child care providers and was among the first states to administer the stabilization grant.

Alaska Funds

Alaska received federal relief funding for child care through three funding streams. These include:

- \$18,899,904 (CRRSA) available until September 30, 2023.
- \$45,336,010 for child care stabilization grants, available until September 30, 2023 (ARPA)
- \$28,345,643 for supplemental CCDF Discretionary Funds, available until September 30, 2024 (ARPA)

Planning

The Division of Public Assistance, Child Care Program Office has been actively planning for the use of relief funding under CRRSA and ARPA. CCPO has been collaborating with state and federal partners to inform decision making and develop a strategy for the use of funds. The current plan is in draft form to allow for adjustments based on partner input, new guidance, and opportunities for collaboration. The amounts are preliminary estimates that will necessitate adjustment during implementation.

CCPO's efforts include:

- Surveying licensed child care providers in March 2021, which had a response rate above 90 percent
- Meeting with the federal oversight agency and resource organizations to understand the requirements and guidance for the use of relief funds
- Meeting with Child Care Development Fund programs in other states to share information and creative strategies
- Reviewing our most recent Early Childhood Needs Assessment and Strategic Plan as a guide and resource to inform planning and implementation to support business practices

- Identifying internal needs to successfully implement strategies
- Participating in opportunities to maximize planning efforts led by national organizations
- Conducting weekly meetings internally and with partners for continual planning
- Conducting a nationwide scan of stabilization practices and strategies
- Facilitating ongoing Child Care Provider Town Hall meetings
- Facilitating focus groups to inform stabilization strategies

Through this initial process, partners put forward the following ideas:

- Hire a contractor to review and improve the child care assistance program to make it more accessible and supportive for parents and providers
- Deliver stabilization grants in multiple grant opportunities over time
- Provide funding to After School Network to increase School-Age supports and child care slots
- Support families with special needs children to increase access to child care
- Provide funding to individuals in the field through SEED ROOTS awards
- Provide grant opportunities to local communities or municipalities for strategies that fall within the scope of ARPA stabilization
- Provide stabilization grants to providers using a per-child formula
- Provide support to foster families

Future partner and public engagement:

A formative plan has been developed and presented for approval by the Department of Health and Social Services. The next step is to engage with partners on the implementation of that plan. CCPO is planning to administer focus groups and a survey to inform future phases of stabilization grants.

Spending Plan & Projections

See enclosure relating to the “Spending Plan” with a total allocation of \$92,581,557

Approximate amount obligated as of March 31, 2023: \$66,059,914 (71%).

ARPA Stabilization - \$45,336,010 - Fully Obligated (Complete: Liquidated 3/31/2023)

- Phase 1 ~\$4.5M
- Phase 2 ~\$16.5M
- Phase 3 ~\$23M
- Administrative ~\$1.2M
- Note: Additional funding supported stabilization grants, see **Stabilization Fast Facts** document for details

ARPA Discretionary - \$28,345,643 - \$1,824,000 currently obligated

- Planning Contract- Subsidy Improvements \$98k
- OCS support of Foster Families \$300K
- UAA RSA FY24
- Alaska Pyramid Model Leadership Project \$16,000
- Sponsorships 2023 \$100K

- Contracts 2024 \$1.1K
 - Contract for Cost of Care Study
 - Contract for Workforce Study
 - Contract for Taskforce Facilitator

CRSSA - \$18,899,904 - Fully obligated, liquidation complete June 30, 2023

- Increased Scholarship fund to the University of Alaska system for early childhood
- Provided funding to thread for:
 - Internal capacity for increased grant activities related to COVID-19 and relief funds, new provider startups, child care campaign
 - Workforce support
 - Infrastructure support-provider portal & free training to the early education workforce
 - Quality and Professional Development supports
 - Community Innovation Grant
 - Quality Initiative grants
 - New child care businesses: New/Startup Licensed Child Care
 - Individual early educators: Wellness 4 U, Social-Emotional Toolkit
 - Programs: Staff/Team Wellness, Strengthening Business and Marketing Practices, Infant and Toddler, Accreditation, Go NAPSACC, Breastfeeding Welcomed Here
- Sponsorships:
 - Best Beginnings, \$10,000
 - ANC AEYC, \$20,000
 - SEA AEYC, \$60,000

Calendar of activities for expenditures of COVID-19 Relief Funding

Current efforts and projection of future stabilization phases:

QTR3 FY21 (APR-JUN 21)

- Cover the cost of Copays (JUN)
- Survey of Child Care Provider needs

QTR4 FY21 (JUL-SEP 21)

- Thread free training for FY22
- Increase Scholarship fund to University System for FY22
- Cover the cost of Copays (JUL, AUG, SEPT)
- Thread free training for FY22

QTR1 FY22 (OCT-DEC 21)

- Stabilization Phase 1
- SEED ROOTS Initiative
- Tribal coordinator position

- Cover the cost of Copays (OCT, NOV, DEC)

QTR2 FY22 (JAN-MAR 22)

- Stabilization Phase 2
- Planning contract- Subsidy improvements

QTR3 FY22 (APR-JUN 22)

- Stabilization Phase 2

QTR4 FY22 (JUL-SEP 22)

- Child Care funds for Foster Parents
- Increase Scholarship fund to University System for FY23
- Sponsorships
- Thread free training for FY23

QTR1 FY23(OCT-DEC 22)

- Workforce supports
- Alaska Pyramid Model Leadership Project

QTR2 FY23 (JAN-MAR 23)

- Stabilization Phase 3 (ARPA Stabilization Complete)
- Workforce Initiative Opt-in
- Quality Initiatives
 - New child care businesses: New/Startup Licensed Child Care
 - Individual early educators: Wellness 4 U, Social-Emotional Toolkit
 - Programs: Staff/Team Wellness, Strengthening Business and Marketing Practices, Infant and Toddler, Accreditation, Go NAPSACC, Breastfeeding Welcomed Here

QTR3 FY23 (APR-JUN 23)

- Community Innovation Grants
- Quality Initiative Grants
- Sponsorships - \$100K

QTR4 FY23 (JUL-SEPT 23)

- Sponsorships
- ARPA Supplemental Discretionary Spending – efforts are ongoing and may include:
 - Infrastructure supports
 - Pilot efforts in subsidy program based on recommendations from First Children’s Finance
 - Business supports to child care providers
 - Increasing wages for early educators and family child care providers
 - Building the supply of child care for underserved populations