



ARP Act Child Care Stabilization Grants Guide to Implementation – Initial and Full Implementation

American Rescue Plan Act Child Care Stabilization Grants Guide to Implementation – Initial and Full Implementation

Purpose of this guide:

Internal framework for the Tribal Child Care Capacity Building Center (TCBC) team and the Office of Child Care (OCC) Regional Offices to use when assisting grantees in the initial and full implementation stage of their American Rescue Plan (ARP) Act child care stabilization grants.

PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13) STATEMENT OF PUBLIC BURDEN: The purpose of this information collection is to help the Office of Child Care (OCC) identify the technical assistance needs to support the implementation of American Rescue Plan funding. Public reporting burden for this collection of information is estimated to average one hour per grantee response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. This is a voluntary collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information subject to the requirements of the Paperwork Reduction Act of 1995, unless it displays a currently valid OMB control number. The OMB # is **0970-0531** and the expiration date is **07/31/2022**. If you have any comments on this collection of information, please contact Stacy Cassell, stacy.cassell@acf.hhs.gov.

During the Call

- ◆ Review agenda for the call
 - Suggested agenda items for the initial implementing stage call:
 - Welcome
 - Opportunity for Tribal CCDF Administrator to share updates
 - Status of ARP Act Child Care Stabilization Grants funds expenditures
 - Construction or major renovation project status [if applicable]
 - Discussion on internal processes using the guiding questions
 - Provide TA resources to assist in assessing internal processes as requested (TCBC TA Specialists, Subject Matter Expert Team, Stabilization Grants resources on the OCC TA website, etc.)
 - Wrap up and next steps
- ◆ Ask the Tribal Lead Agency to provide an update of their status regarding the ARP Act Child Care Stabilization funds they received.

- Now that you have released your ARP Act Child Care Stabilization Grants funds, have you identified any internal challenges with your processing systems? Are you considering any changes to your system?
- Have your providers been able to submit the required documentation within the established timeline?
 - Do you feel your application is easily accessible for all qualified and eligible providers to apply?
 - Are any changes need to the application so that more providers will apply?
 - Are applications accepted on a rolling basis?
- What TA supports do you feel providers need to be successful in completing your application and reporting requirements?
- What challenges are you facing and what support do you need?
- ◆ If applicable, ask the Tribal Lead Agency for an update on their construction or major renovation project using ARP Act Child Care Stabilization Grants funds.
- ◆ What challenges are you facing to obligate and liquidate all your ARP Act Child Care Stabilization Grants funds by the required timelines? [this question does not apply to Public Law 102-477 grantees]
- ◆ Use the Implementation Planning Tool to make note of goals for each area and identify action steps as indicated by the Tribal CCDF Administrator during discussion.
- ◆ Share that the Tribal Child Care Capacity Building Center's Tribal TA specialists and Tribal Subject Matter Experts (SMEs) are available to provide any additional TA as requested.
- ◆ Answer any Tribal Lead Agency's questions and provide relevant resources to support the responses.

Tribal Lead Agencies at the Initial Implementation Stage

Guiding Questions

- ◆ What Tribal evaluation tools are currently available to measure the progress and effectiveness of your project?
- ◆ What challenges did providers face in the completion of the application? Are you considering any updates to the application or process?
- ◆ What positive impacts have you seen on the child care community based on the ARP Act Child Care Stabilization Grants funds awarded to date?
- ◆ What positive impacts have you seen within your Tribally operated center based on the changes made using the ARP Act Child Care Stabilization Grants funds? Has your recruitment and retention of your staff improved? [for Tribes with a Tribally operated center]
- ◆ Are revisions needed to your policies and procedures to effectively administer the ARP Act Child Care Stabilization Grants funds based on your assessment?
- ◆ How will you ensure all funds are obligated in accordance with federal regulations? What budgeting methods are in place to support this process?

Key Topics

During your conversation with the grantee, you will likely want to review the key topic areas listed below, using the talking points, guiding questions, and examples provided in each section.

[Capacity](#)

[Fiscal Management](#)[Programmatic Policies and Procedures](#)[Allowable Spending Categories](#)[Set Aside for Administrative Expenses, Supply Building & Technical Assistance](#)

Capacity

Capacity is the method to plan and achieve organizational goals. Capacity building describes, to decision makers, how those methods can lead to sustained improvements over time. Capacity building is ultimately focused on empowering individuals, leaders, organizations, and systems to generate positive change for early learning opportunities and outcomes on behalf of communities, children, and families. Fortunately, the ARP Act allows grantees to use a portion of their funds to hire additional support staff, contract with intermediaries, and purchase supplies and equipment to better administer the ARP Act Child Care Stabilization Grants. We would love to hear how you utilized the funds to increase your internal capacity.

Guiding Questions

- ◆ Which internal processes have been effective in awarding the ARP Child Care Stabilization Grants? What additional staff would have helped the process?
- ◆ How have you used the ARP Child Care Stabilization Grants administrative costs to build internal capacity?
- ◆ Have the Tribal leadership and the Tribal Lead Agency's goals for child care services been met using the ARP Act Child Care Stabilization Subgrants?
- ◆ Has the Tribal Lead Agency communicated on an ongoing basis with Tribal Leadership about the status of the ARP Act Child Care Stabilization Subgrants?
- ◆ How will you adapt your provider reporting and monitoring strategies to lessen the burden on your Tribal Lead Agency?
- ◆ Are you experiencing difficulties recruiting and retaining staff to administer the ARP Act Child Care Stabilization Grants funds? Is turnover an issue?
- ◆ Have you considered contracting with intermediaries to lessen the burden on your agency, and are there any organizations/agencies you would be interested in contracting with?

Fiscal Management

Now that you have begun to implement your ARP Act Child Care Stabilization Grants, it's important to assess any strategies you currently use in handling the financial and programmatic aspects of program administration and management. This may include your timeline or tools for developing budgets, any tracking mechanisms for obligations and liquidations, your audit history, or any other fiscal resources currently in use. Doing so will help you prepare for any future reporting.

I also encourage you to look at the [COVID-19 Funding At-A-Glance for Tribal Lead Agencies](#); this resource will provide you with quick information about all of the COVID-19 supplemental funding, including CARES Act, CRRSA Act, ARP Act Stabilization Funds, and ARP Act Supplemental Discretionary funds.

Guiding Questions

- ◆ Are your existing fiscal policies and procedures meeting your needs during the initial implementation stage, or should they be updated to ensure you are on track to spend all your funding?

- ◆ If you have a construction project, will you be on track to spend all funding? Including multiple-year funding? If you need additional funding, how will you complete the project?
- ◆ Do you have the internal financial controls in place to ensure funds are liquidated and obligated by the required dates? [this does not apply to Public Law 102-477 grantees]
- ◆ Has your Tribal leadership been engaged in all aspects of financial management, and to what extent are they engaged?
- ◆ How are your current internal controls and budget controls supporting fiscal management activities such as engaging in contracts with partners, data collection and evaluation, or procurement?
- ◆ How are you continuously protecting program integrity from potential conflicts of interest, intellectual property theft, and fraud prevention?
- ◆ Have you or your Finance Department been making consistent drawdowns in the Payment Management Systems (PMS)? Does your current process for drawing down funds still work for you?
- ◆ Have you made any necessary amendments to your current CCDF Plan to avoid audit findings?
- ◆ If you contracted with an intermediary to lessen the burden on your agency, has your working relationship been successful? Are any changes needed to ensure the intermediary meets all your CCDF requirements?
- ◆ What types of updates have you made to your current internal infrastructure (i.e., accounting staff and software) to support the administration of the funds?
- ◆ Have you noted required changes in your existing fiscal policies and procedures to ensure efficient administration of your stabilization grants? Have you updated the fiscal policies and procedures according to the required changes?
- ◆ Have you reached out to your auditor to ensure the documents being collected from grant recipients will meet audit standards?
- ◆ What percentage of ARP Act Child Care Stabilization subgrants have been awarded to qualified providers? Will you be able to meet the obligation and liquidation periods of these funds? [obligation and liquidation periods do not apply to Public Law 102-477 grantees]

Programmatic Policies & Procedures

Programmatic policies and procedures are essential to properly implementing and monitoring ARP Act Child Care Stabilization Grants funds. Consider whether policies and procedures have been effective and, if not, determine what new policies and procedures or revisions need to be developed. These guiding questions will serve as a starting point as you make those determinations.

Guiding questions

- ◆ Now that you are in the initial implementation stage of releasing your ARP Act Child Care Stabilization Grants funds, are there any gaps in your current policies and procedures that need to be addressed?
- ◆ What is the process for policy and procedure approvals? Will they need to go to Tribal leadership for final approval?
- ◆ Have you checked in with your in-home, family, or center-based child care providers in your service area to see if the application process was easy to complete? What did you do with the information gathered? If you have completed check-in, did you create a policy and procedure to track the responses from your providers?
- ◆ Describe your policy and procedure for posting your ARP Act Child Care Stabilization Grants funds applications, OCC-related FAQs, or other resources on your CCDF or Tribal website.

- ◆ What does your policy and procedure for collecting provider reporting and monitoring documentation involve? How does it include monitoring qualified providers to ensure they continue following health and safety requirements or that they are continuing to pay full compensation to staff?
- ◆ How does your policies and procedures ensure effective for tracking whether subgrants are going to different types of providers?
- ◆ How have you used your policies and procedures to ensure areas of high need are identified and to ensure the Stabilization Grants are being distributed in a way that is responsive to parental needs and preferences?

Allowable Spending Categories

As you move towards full implementation with the ARP Act Child Care Stabilization Grants ([The American Rescue Plan \(ARP\) Act of 2021 \(Public Law 117-2\)](#)) funds, it is important for you to consider the allowable spending categories as you are completing your budgeting process, monitoring your budget, and preparing for reporting.

- ◆ *Reminder:* Tribal Lead Agencies may set aside up to 20% of their stabilization funding award for administration, activities to support supply building, and technical assistance.
- ◆ There are five allowable activities:
 1. Administering stabilization subgrants
 2. Activities to increase the supply of child care
 3. Technical assistance and support for subgrant applications
 4. Publicizing the availability of subgrants
 5. Technical assistance to providers to meet requirements throughout the subgrant period.
- ◆ Base amount funds are not subject to the administrative cap.
- ◆ The remaining funds (at least 80% for Tribal Lead Agencies) must be used for subgrants to qualified child care providers. Providers receiving subgrants and Tribally operated centers must use the funds for at least one of the following activities:
 - Personnel costs, benefits, premium pay, and recruitment and retention.
 - Rent or mortgage payments, utilities, facilities maintenance and improvements, or insurance.
 - Personal protective equipment (PPE), cleaning, sanitization supplies, and services, or training and professional development related to health and safety practices.
 - Purchases of or updates to equipment and supplies to respond to COVID-19.
 - Goods and services necessary to maintain or resume child care services.
 - Mental health supports for children and employees.

Guiding questions and examples can be found in the following tables.

Administrative Costs

Topic	Talking Points	Guiding Questions
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<p>Set Aside for Administering Child Stabilization Subgrants</p>	<ul style="list-style-type: none"> ◆ Did the Tribal Lead Agencies use the 20% administrative set aside to support administering their stabilization subgrants? ◆ If the Tribal Lead Agency was already at capacity and they hired additional personnel or resources to administer the stabilization subgrants. Did they consider using the set aside for contracting with an intermediary? ◆ Hired a team of individuals who were solely responsible for administering the stabilization subgrants or contracting with an intermediary, such as a trusted consulting agency with specialized experience in child care and federal grants (to minimize audit findings). ◆ Purchased resources and equipment. Upgraded technology to manage the additional funding received. Bought new computers, operating systems, laptops, and accounting software. 	<ul style="list-style-type: none"> ◆ Are you tracking your administrative costs regularly to ensure you do not exceed the 20% administrative cap? ◆ How many staff are currently supporting this effort? Are they able to keep up with the demand? ◆ If you have contracted with an intermediary to administer your ARP Act Child Care Stabilization Grants funds, have you monitored their progress? ◆ What types of technological equipment or supplies have been helpful to your Tribal Lead Agency in administering the ARP Act Child Care Stabilization Grants funds? ◆ Have you been able to update your Tribal leadership on the progress in administering the ARP Act Child Care Stabilization Grants funds? ◆ Are all stabilization subgrant awards properly coded into the allowable spending categories for ease of reporting?
<p>Carrying Out Activities to Increase the Supply of Child Care</p>	<ul style="list-style-type: none"> ◆ Paid for activities that helped your Tribal Lead Agency increase the supply of child care in your service area. ◆ Developed startup resources and grants for new child care providers, facilitated a finance program for startup expansion with low or no-interest loans, staffed family child care networks, technical assistance on business practices for new 	<ul style="list-style-type: none"> ◆ Have your efforts met the demand of the types of child care providers in your service area? ◆ Have you provided financial support to startup child care services? How many new providers have started? ◆ Have your incentives to providers in non-standard hour care, infant and toddler care, care in underserved areas and care for children with disabilities increased staff or provider retention? ◆ Do you feel your awarded ARP Act Child Care Stabilization Grants funds have increased the supply of care in your



	<p>providers, developed and implemented a strategic plan for supply building, improved Tribal Lead Agency data systems to manage an increased supply, conducting community needs assessments, improved access to licensing or participation in quality rating and improvement systems, and facility improvement grants for providers.</p>	<p>service area?</p>
<p>Providing Technical Assistance & Support for Subgrant Applications</p>	<ul style="list-style-type: none"> ◆ Aided providers in your service area for completing your Tribal Lead Agency's subgrant application. ◆ Provided ongoing support to providers to manage subgrants. ◆ Provided various types of technical assistance to providers to successfully manage their subgrants; this could be in specific areas such as meeting the reporting requirements, health and safety requirements, fiscal requirements to avoid audit findings, etc. ◆ It is in the Tribal Lead Agency's best interest to ensure that providers who have received subgrants utilize the funds effectively and correctly. The Tribal Lead Agency will ultimately be held responsible for how individual providers operate their child care services. Developed policy and procedures. 	<ul style="list-style-type: none"> ◆ Have you found that providers in your service area struggled to complete your subgrant application process? Which processes have you updated based on the information gathered? ◆ What strategies have you used to support providers in completing their subgrant applications? ◆ What types of technical assistance have you provided to support the reporting of subgrants awarded to providers?
<p>Publicizing the</p>	<ul style="list-style-type: none"> ◆ Publicized availability of 	<ul style="list-style-type: none"> ◆ What method of communication was



<p>Availability of Stabilization Subgrants</p>	<p>stabilization subgrants promptly to make providers aware of the subgrant opportunity.</p> <ul style="list-style-type: none"> ◆ Strategically selected methods to publicize the availability of stabilization subgrants to help your Tribal Lead Agency maximize the number of providers who apply. ◆ Methods used to publicize subgrants were based on the predominant methods of communication in your service area. 	<p>used to inform the providers in your service area?</p> <ul style="list-style-type: none"> ◆ What costs did you incur as you publicized your subgrants? ◆ Did you use your Tribal Lead Agency website or social media outlet to post updates, and were these sites well-trafficked? ◆ Did you use community leaders and central clubs, organizations, places of worship, or businesses that reach a broad audience to publicize the stabilization subgrant opportunity?
<p>Providing Technical Assistance to Providers Receiving Stabilization Subgrants</p>	<ul style="list-style-type: none"> ◆ Provided ongoing support to providers in managing their subgrants. ◆ Used some administrative set-aside funds to pay for different forms of technical assistance to help providers implement their subgrants to take some of the burdens off those already overextended providers. ◆ Technical assistance can be provided to providers to meet the three required certifications: (1) health and safety requirements, (2) continuing to pay full wages, and (3) to the extent possible, providing copay or tuition relief for families. ◆ It is in the Tribal Lead Agency's best interest to ensure that providers who have received subgrants utilize the funds effectively and correctly. The Tribal 	<ul style="list-style-type: none"> ◆ What forms of technical assistance did you find most helpful to providers in your service area in managing their stabilization subgrants? ◆ Are there any remaining challenges providers in your service area face after providing subgrants? ◆ What type of support or training would providers benefit from throughout their subgrant period to assist them with meeting reporting requirements, health and safety requirements, fiscal requirements, and other types of requirements? ◆ What topics were you able to provide training on to providers receiving subgrants? Are there any remaining topics you would like to provide training on?

	<p>Lead Agency will ultimately be held responsible for how individual providers operate their child care services. Developed policy and procedure.</p>	
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Allowable Uses of Funds for Child Care Providers

Topic	Talking Points Development	Guiding Questions Review	Resources Identification
Personnel Costs	<ul style="list-style-type: none"> ◆ Personnel costs can be influenced by many factors, including the size of the program, ratios and group size, staffing, salaries and wages, and benefits. 	<ul style="list-style-type: none"> ◆ Which benefits have you or your providers begun to offer, such as health insurance, paid sick days, or mental health days to increase employee retention? ◆ What other compensation strategies have you or your providers implemented using the subgrant funds? ◆ In reviewing current staff ratios and group sizes, what changes have you implemented to support personnel? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.18: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ ECD Letter to state, territory, and tribal lead agencies on the workforce ◆ Appendix of examples of compensation strategies ◆ Implementation Guide for Immediate Relief for the Workforce. ◆ Stabilizing Child Care and COVID-19 FAQs The Administration for Children and Families (hhs.gov)
Rent, Utilities, Facilities Maintenance, and Insurance	<ul style="list-style-type: none"> ◆ Helped providers to maintain or improve provider facilities to comply with safety guidelines, including any COVID-19 concerns. Focusing on the accessibility needs for any children or family members with disabilities. ◆ Facility renovations created an 	<ul style="list-style-type: none"> ◆ How many subgrants have you provided to support rent, utilities, insurance, or facilities maintenance? ◆ Describe how the stabilization grants improved the safety of child care. ◆ What improvements have you seen around the accessibility for children and family members with disabilities after you subgrant awards? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.18-19: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide



	<p>inclusive and welcoming environment within a developmentally appropriate context.</p>		
<p>Personal Protective Equipment (PPE), cleaning, and other health and safety practices</p>	<ul style="list-style-type: none"> ◆ Provided equipment, supplies, services, and training that support meeting state and local health and safety guidelines, including those related to the prevention and control of infectious diseases, prevention of sudden infant death syndrome and use of safe sleep practices, administration of medication (consistent with standards for parental consent), prevention and response to emergencies due to food and allergic reactions, building and physical premises safety, prevention of shaken baby syndrome and abusive head trauma and child maltreatment, response planning for emergencies from a natural disaster or a man-caused event, handling and storage of hazardous materials and the appropriate disposal of bio-contaminants, 	<ul style="list-style-type: none"> ◆ What additional health and safety practices were providers able to implement using the subgrant funds? ◆ How have the stabilization grant funds increased the ability of providers to respond to the COVID-19 public health emergency and meet the minimum health and safety requirements? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.19: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide



	<p>proper precautions in transporting children, pediatric first-aid and CPR, and recognition and reporting of child abuse and neglect.</p>		
<p>Equipment and Supplies</p>	<ul style="list-style-type: none"> ◆ Purchased or updated equipment and supplies to respond to the COVID-19 public health emergency. This may consist of indoor and outdoor equipment and supplies that facilitate business practices consistent with safety protocols and developmentally appropriate practice. It also includes business items needed to respond to new challenges, such as business software and upgrades. ◆ Provided technological upgrades for programs to collect data and report to Tribal Lead Agencies. 	<ul style="list-style-type: none"> ◆ Which equipment were your providers able to adequately update using the ARP Act Child Care Stabilization Grants funds? ◆ What supplies were providers able to purchase to ensure developmentally appropriate practices? ◆ How were you able to assist providers in purchasing or upgrading their business software to solve operational challenges? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.19: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide
<p>Goods and Services</p>	<ul style="list-style-type: none"> ◆ This category includes any material good or service necessary to operate a child care program. Tribal Lead Agencies are encouraged to treat this term broadly, in accordance with 	<ul style="list-style-type: none"> ◆ Did you support providers in purchasing software and training to manage their child care business? ◆ What type of supplies were providers able to purchase for their programs using the subgrants? ◆ How did you support providers to become state-licensed if they wished to? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.19-20: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide

	<p>extended period at home will need support to acclimate to a new environment. Child care staff and family child care providers, families, and children have experienced various levels of stress and trauma.</p> <ul style="list-style-type: none"> ◆ Invested in mental health supports for child care providers and children. 	<p>hired to meet the relational needs of children in the classroom and the teacher's work in your Tribally operated center?</p> <ul style="list-style-type: none"> ◆ Which cultural supports have you implemented to support the mental health of children and providers? 	<ul style="list-style-type: none"> ◆ Systems to Improve Child Outcomes Early Childhood Training and Technical Assistance System (hhs.gov) ◆ Supporting and Promoting Mental Health in Out-of-School Time Early Childhood Training and Technical Assistance System (hhs.gov) ◆ Responding to Adverse Childhood Experiences: Strategies for the Out-of-School Time Field Early Childhood Training and Technical Assistance System (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide
<p>Paying for Past Expenses</p>	<ul style="list-style-type: none"> ◆ Paid for past expenses to ensure the future viability and address any remaining after-effects of the COVID-19 pandemic. 	<ul style="list-style-type: none"> ◆ What types of past expenses were you able to reimburse? 	<ul style="list-style-type: none"> ◆ ARP Act Child Care Stabilization Grant Information Memorandum, Pg.20-21: CCDF-ACF-IM-2021-02 (hhs.gov) ◆ Child Care Center Budget Guide ◆ Family Child Care Budget Guide

Tribal Lead Agencies at the Full Implementation Stage

Guiding Questions

- ◆ How will the Tribal Lead Agency prepare for reporting of the ARP Act Child Care Stabilization Grants distributed?



- ◆ How will the Tribal Lead Agency use the information associated with the stabilization grants as a measure of quality services?

The Tribal Child Care Capacity Building Center is funded by the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care.

**The Tribal Child Care Capacity Building Center,
A Service of the Office of Child Care**

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