



American Rescue Plan Act Child Care Stabilization Grants Guide to Implementation – Developing

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 developing stage of implementation 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.

Initial Dialogue with Tribal CCDF Grantee

- ◆ Review notes from any previous calls with the grantee from the exploring stage
- ◆ Review agenda for the call
 - Suggested agenda items for initial developing stage call:
 - Welcome
 - Opportunity for Tribal CCDF Administrator to ask general questions
 - Status with ARP Act child care stabilization funds
 - Construction or major renovation project status
 - Review allowable uses of the ARP Act child care stabilization funds
 - Discussion on specific topical area of interest using the guiding questions
 - Available TA resources to meet immediate needs (TCBC TA Specialists, Subject Matter Expert Team, ARP Act Child Care Stabilization Grants resources on the OCC TA website, etc.)
 - Wrap up and next steps
- ◆ Answer Tribal CCDF grantee if they have any general questions

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- ◆ Ask the Tribal CCDF grantee to provide an update of their status regarding the ARP Act child care stabilization funds they received.
 - Now that you have explored allowable uses and resources on ARP Act child care stabilization grants, what decisions have you made regarding how you would like to administer and spend the funds?
 - What are you still in the process of deciding and what information or assistance would be most helpful in making those decisions?
 - What challenges are you facing and what support do you need?
 - Do you or your fiscal department have any questions on allowable uses of ARP Act child care stabilization grant funds?
 - *Note if the question asks about a use of funds that is not specifically referenced in OCC policy documents (including the IM and FAQs,) those questions should be noted and referred to OCC.
 - *Note any key information that will help address the barriers the grantees may be facing.
- ◆ Ask the Tribal CCDF grantee for an update on their construction or major renovation project if they are using the ARP Act child care stabilization grant funds for construction or major renovation.
 - *Note if the grantee is struggling to complete their full application and offer TA from the TCBC SME on Construction & Major Renovation.
- ◆ Highlight allowable uses of the ARP Act child care stabilization grant funding to ensure the grantee is aware of all the possibilities. Starting with pointing to the IM and other policy documents and pointing out that policy questions, including allowable uses of funds, should be noted and directed to OCC.
 - How could these uses benefit your program and what is your vision as you move closer to implementation?
 - *Follow up with the Tribal CCDF grantee on where they are in the process of awarding subgrants.
 - Now that you have determined your target audience for subgrants, have you drafted a subgrant application and how have you publicized it/ how do you plan to publicize it?
 - Do you need any assistance in developing the subgrant application?
 - How do you plan to track and monitor subgrants?
 - Have any providers applied or expressed interest in applying?
 - What assistance do providers need in the subgrant application process and do you have the capacity to provide that assistance or would you like to contract with an intermediary?
 - Use the Implementation Planning Tool to make note of goals for each area and identify action steps as indicated by Tribal CCDF Administrator during discussion.
- ◆ Share that the Tribal Child Care Capacity Building Center's Tribal TA specialists and Tribal Subject Matter Experts are available to assist them to explore the possibilities, assist in creating goals and timelines, and provide resources that may help them along the way.

Key Topics

After your initial conversation with the grantee, you will likely want to address 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](#)

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- ◆ [Allowable Spending Categories](#)
- ◆ [Set Aside for Administrative Expenses, Supply Building & Technical Assistance](#)

Capacity

TCBC is aware that ARP Act child care stabilization grants are significant and may require increased capacity to administer and manage. 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 review your current capacity and learn more about your staffing plan so that we can assist you in rolling out the ARP Act child care stabilization grants.

Guiding Questions

- ◆ What is your staffing plan for managing the ARP Act child care stabilization grants?
- ◆ Are you the only person responsible or do you have a team of people assisting, and if so, how many staff members/consultants will be assisting? What will each person's role be?
- ◆ Do you feel your current staffing is adequate or would you like additional support?
- ◆ 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?
- ◆ Define intermediaries as indicated in the OCC Information Memorandum [CCDF-ACF-IM-2021-02 \(hhs.gov\)](#)
- ◆ Are you experiencing difficulties recruiting and retaining staff to administer the ARP Act child care stabilization grants and have you considered offering incentives to attract additional qualified candidates?
- ◆ What internal infrastructure (i.e., accounting software, operating system) will you be using to support the administration of funds?
- ◆ Do you need to purchase any additional equipment to effectively manage and administer the funds?

Fiscal Management

To ensure you can successfully manage and administer the ARP Act child care stabilization grant funds, it's important that you have a sound plan in which your fiscal staff and CCDF administrator are working in unison. With ARP Act child care stabilization grant funds, you also have the flexibility to utilize the funds on a variety of spending categories that are exempt from typical CCDF spending requirements and lead agencies have wide discretion on how subgrants are formulated. Before we dive in, it would be helpful to first hear about 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. I also encourage you to view available recordings of previous ARP Act child care stabilization grant webinars if you have not already, that will assist in guiding you through best practices and deepen your understanding of policies and procedures.

Guiding Questions

- ◆ Have you reviewed existing policies and procedures to determine whether they should be updated or not?
- ◆ If necessary, have you drafted new policies and procedures and what is your process for this?
- ◆ Do your current Tribal laws coincide or sync-up with ARP Act child care stabilization grant financial requirements? If not, have you thought of a contingency plan to overcome that challenge?
- ◆ Has your Tribal leadership been engaged in aspects of financial management; and, to what extent are they engaged?

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- ◆ How effective are your current internal controls and budget controls? What processes are in place to enhance or amend fiscal management activities such as engaging in contracts with partners, data collection and evaluation, or procurement? How are you safeguarding program integrity from potential conflicts of interest, intellectual property theft, and fraud prevention?
- ◆ Are you familiar with Payment Management Systems (PMS)? Has your Tribe been making consistent drawdowns? Does your current process for drawing down funds still work for you?
- ◆ Do your fiscal staff have access to appropriate training regarding all aspects of fiscal management? How often are they receiving training?
- ◆ Do you have a history of clean audits if they apply? Have your existing resources been leveraged wisely? Are you gathering the necessary preliminary information for an inevitable audit?
- ◆ (If applicable) Have you considered all avenues to assist in obligating and liquidating before attempting to return and have your funds reallocated?
- ◆ Are you experiencing difficulties recruiting and retaining staff to administer the ARP Act child care stabilization grants? 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?
- ◆ Have you ensured your current internal infrastructure (i.e., accounting staff and software) is able to support the administration of the funds? Are you making plans to ensure it does support the administration of the funds?

Programmatic Policies & Procedures

Programmatic policies and procedures are essential to properly implementing and monitoring ARP Act child care stabilization grant funds. Consider whether current policies and procedures are going to be effective and if not, determine what new policies and procedures need to be developed. These guiding questions will serve as a starting point as you make those determinations.

Guiding questions

- ◆ What, if any, modifications do you need to make to your existing policies and procedures to administer your ARP Act child care stabilization grants to meet the needs of your community? For instance, are there any gaps in your current policies and procedures that need to be addressed so that the funds can be used as desired?
- ◆ Have you drafted new policies and procedures if applicable?
- ◆ What is the process for updating programmatic policies and procedures and if approval is needed from Tribal leadership, what is the timeline for receiving approval?
- ◆ Have you determined the number of in-home, family, and center-based child care providers in your service area?
- ◆ Do you have contingency plans for high staff turnover?
- ◆ How are you providing information and training to non-Indigenous providers about working with Indigenous children and families?
- ◆ What systems are in place to ensure that all provider types are managed effectively?
- ◆ Have you thought about how to reduce the burden placed on providers in so far as data collection?
- ◆ Do you have a system to track payments that have been made?
- ◆ Do you have proper systems in place for oversight of partnerships that have been made with culturally relevant organizations or trusted messengers?
- ◆ Are subgrant applications available in multiple languages?

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- ◆ Do subgrant applications have a staffed helpline and chat function for support?
- ◆ Are FAQs regarding applications available?
- ◆ Is there a support mechanism for collecting documentation showing and describing operating expenses?
- ◆ Do you have a system or mechanism to monitor qualified providers receiving a subgrant to ensure they follow health and safety guidelines, pay full compensation to staff, and, to the extent possible, provide relief from copayments and tuition for parents struggling to afford child care?
- ◆ Have you ensured that your applications for subgrants are posted on your Lead Agency's child care website?
- ◆ Are applications easy to understand and have you avoided using long lists of questions or extensive documentation to mitigate low provider participation?
- ◆ Are you tracking whether subgrants are going to different types of providers and areas of high need to ensure the stabilization grants are being distributed in a way that is responsive to parental needs and preferences?
- ◆ Are areas in greatest need going to be able to appropriately access these funds?
- ◆ Do you know when and how often applications will be processed and distributed?
- ◆ Do you know when and how often you will conduct a survey of child care providers?
- ◆ Have you provided sample forms or templates on your website to assist with the application process and any other processes as necessary?

Allowable Spending Categories

As you move toward initial implementation of the ARP Act child care stabilization grant funds, it is important for you to explore the allowable spending categories. Tribal CCDF grantees may set-aside up to 20 percent of their stabilization funding award for administration, activities to support supply building, and technical assistance.

- ◆ There are five specific activities mentioned in the OCC Guidance:
 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 percent for Tribes) must be used for subgrants to qualified child care providers. Providers receiving subgrants 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 and 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.

Administrative Costs

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Topic	Talking Points	Guiding Questions
<p>Set Aside for Administering Child Stabilization Subgrants</p>	<ul style="list-style-type: none"> ◆ Tribal Lead Agencies can use the 20% administrative set aside to support in administering their child stabilization subgrants. ◆ If your Lead Agency is already at capacity and does not have the personnel or resources to administer the child stabilization subgrants, you may want to consider using the set aside for hiring additional staff or contracting with an intermediary. ◆ This might look like hiring a team of individuals who is 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). ◆ You can also use the set aside to purchase resources and equipment. Perhaps you need technology upgrades to manage the additional funding received. This could look like purchasing new computers, operating systems, laptops, and/or accounting software. 	<ul style="list-style-type: none"> ◆ What would be most helpful to your lead agency in administering the ARP Act child care stabilization grants? ◆ How many additional staff would you like to assist in administering the ARP Act child care stabilization grants? How many staff are currently supporting this effort? ◆ Have you considered contracting with an intermediary such as a consultant to administer the ARP Act child care stabilization grants and if so, what intermediaries? ◆ What types of technological equipment or supplies might be helpful to your lead agency in administering the ARP Act child care stabilization grants? ◆ Do you have support of Tribal leadership in your plan for administering the ARP Act child care stabilization grants?
<p>Carrying Out Activities to Increase the Supply of Child Care</p>	<ul style="list-style-type: none"> ◆ You can also use the administrative set aside to pay for activities that can help your lead agency increase the supply of child care in your service area. 	<ul style="list-style-type: none"> ◆ What types of child care providers are in highest demand in your service area? ◆ What would incentivize individuals to become child care providers; i.e. do they need financial support to startup childcare service? ◆ What do current providers need to



	<ul style="list-style-type: none"> ◆ These activities include developing startup resources and grants for new child care providers, creating a finance program for startup expansion with low or no-interest loans, staffed family child care networks, technical assistance on business practices for new providers, developing and implementing a strategic plan for supply building, improvements to Lead Agency data systems to manage an increased supply, conducting community needs assessments, increasing access to licensing or participation in quality rating and improvement systems, and facility improvement grants for providers. 	<ul style="list-style-type: none"> ◆ increase their capacity to deliver high quality child care? ◆ How can you incentivize providers in non-standard hour care, infant and toddler care, care in underserved areas, and care for children with disabilities?
<p>Providing Technical Assistance & Support for Subgrant Applications</p>	<ul style="list-style-type: none"> ◆ Technical assistance can be provided to providers to meet the requirements in these three areas, health and safety requirements, continuing to pay full wages, and, to the extent possible, providing copay or tuition relief for families. ◆ Providers in your service area may need assistance completing your Lead Agency's subgrant application. ◆ Once providers receive stabilization subgrants from your agency, they may need ongoing support in managing their subgrants. ◆ Consider what types of technical assistance would be most useful to providers in 	<ul style="list-style-type: none"> ◆ Are providers in your service area struggling to complete your subgrant application process? ◆ What types of technical assistance would be most helpful to providers as they work on submitting subgrant applications?

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	<p>successfully managing 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.</p> <ul style="list-style-type: none"> ◆ It is in the Lead Agency's best interest to ensure that providers who have received subgrants utilize the funds effectively and correctly as the Lead Agency will ultimately be held responsible for how individual providers operate their child care services. 	
<p>Publicizing the Availability of Stabilization Subgrants</p>	<ul style="list-style-type: none"> ◆ Publicizing the availability of stabilization subgrants is key to making providers aware of this subgrant opportunity in a timely manner. ◆ Strategically selecting methods to publicize the availability of stabilization subgrants can help your lead agency maximize the amount of providers who apply. ◆ Consider how to reach the highest number of providers in your service area; would social media or online advertising be the most effective? ◆ Is there a Tribal newsletter that has a large readership? ◆ Are there central places in the community that subgrants could be advertised via flyers or in person 	<ul style="list-style-type: none"> ◆ How do people in your service area get information? ◆ What sources do people rely on for news and community updates? ◆ Does your Tribal Lead Agency have a website and/or social media that it uses to post updates and are these sites well trafficked? ◆ Are there particular community leaders and/or central clubs, organizations, churches or businesses that reach a wide audience who could publicize the stabilization subgrant opportunity?

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	<p>announcements?</p> <ul style="list-style-type: none"> ◆ Are there leaders/influential people in the community that could share the subgrant opportunity to reach a large audience? ◆ How you publicize your subgrants should be based on the predominant methods of communication in your service area. 	
<p>Providing Technical Assistance to Providers Receiving Stabilization Subgrants</p>	<ul style="list-style-type: none"> ◆ Once providers receive stabilization subgrants from your agency, they may need ongoing support in managing their subgrants. ◆ It may be worthwhile to use some of the administrative set aside funds to pay for different forms of technical assistance that would help providers implement their subgrants and take some of the burden off those providers who are already overextended. ◆ Technical assistance can be provided to providers to meet the requirements in these three areas, health and safety requirements, continuing to pay full wages, and, to the extent possible, providing copay or tuition relief for families. ◆ Consider what types of technical assistance would be most useful to providers in successfully managing their subgrants; this could be in specific areas such as meeting the reporting requirements, health 	<ul style="list-style-type: none"> ◆ What forms of technical assistance would be most helpful to providers in your service area in managing their stabilization subgrants? ◆ What are current challenges providers in your service area face in delivering child care that might also apply in their subgrant implementation? ◆ Would providers benefit from having access to individualized support throughout their subgrant period to assist them with meeting reporting requirements, health and safety requirements, fiscal requirements, and other types of requirements?



	<p>and safety requirements, fiscal requirements to avoid audit findings, etc.</p> <ul style="list-style-type: none"> ◆ It is in the Lead Agency's best interest to ensure that providers who have received subgrants utilize the funds effectively and correctly as the Lead Agency will ultimately be held responsible for how individual providers operate their child care services. 	
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Additional Allowable Cost Categories

Topic	Talking Points Development	Guiding Question Development
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. ◆ The ARP Act child care stabilization grants can be utilized for increasing wages, benefits like health insurance, retirement benefits, and paid time off. It is important to consider strategies you may use to provide immediate relief to the workforce, with activities that are critical and timely. 	<ul style="list-style-type: none"> ◆ What are some factors that influence personnel cost, such as ratios and group sizes that affect staff patterns salaries and benefits? ◆ Have you thought about increases to salaries and the impacts it could have to your program or provider's program? ◆ Have providers thought about considering offering benefits such as health insurance for employee retention? ◆ What are some other types of compensation strategies you think would be beneficial to your program? ◆ Have you considered including pay and salary increases as an expectation for all Quality Rating and Improvement System (QRIS) participating programs?
Rent, Utilities, Facilities Maintenance, and Insurance	<ul style="list-style-type: none"> ◆ Think about what might be necessary to maintain or improve provider facilities in order to comply with safety guidance, which may include any COVID-19 	<ul style="list-style-type: none"> ◆ Do your providers have sanitization capabilities? ◆ Do they have appropriate refrigeration? ◆ Are all children able to easily access the facility or home as well as traverse the home?

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	<p>concerns. It is important to think about the accessibility needs for any children or family members with disabilities.</p> <ul style="list-style-type: none"> ◆ Any facility renovations should strive to create an inclusive and welcoming environment within a developmentally appropriate context. 	<ul style="list-style-type: none"> ◆ If the play area is outside, is it safe from any potential threats such as dogs or unfamiliar persons? ◆ Do providers have enough money to afford facility rent? ◆ Is the facility capable of supporting COVID-19 precautions? ◆ Is electricity or internet connectivity an issue?
<p>Personal Protective Equipment (PPE), cleaning, and other health and safety practices</p>	<ul style="list-style-type: none"> ◆ Uses of funds under this category are not limited to those designed specifically in response to the COVID-19 public health emergency and may include equipment, supplies, services, and training that support meeting state and local health and safety guidelines, including those related to the prevention and control of infection 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 	<ul style="list-style-type: none"> ◆ Are providers able to implement health and safety practices? ◆ Do providers need additional assistance with cleaning and sanitizing? ◆ Is the carpet and flooring within child care areas in good repair? Can it be easily cleaned and sanitized?

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	<p>of hazardous materials and the appropriate disposal of biocontaminants, appropriate 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"> ◆ This category includes purchases of or updates to equipment and supplies to respond to the COVID-19 public health emergency. So long as the equipment and supplies are in response to the COVID-19 public health emergency, they may include indoor and outdoor equipment and supplies that facilitate business practices consistent with safety protocols and developmentally appropriate practice, as well as business items needed to respond to new challenges, such as business software and upgrades. ◆ This also includes technological upgrades that programs can use to collect data and report to lead agencies. 	<ul style="list-style-type: none"> ◆ Do your family child care or relative providers have adequate appliances to ensure clean and sanitized blankets, dishes and toys? ◆ Do they have adequate refrigeration and freezers to cool and keep an adequate supply of food on hand?
<p>Goods and Services</p>	<ul style="list-style-type: none"> ◆ This category includes any material good or service necessary for the operation of a child care program. Lead Agencies are encouraged to treat this term broadly, in accordance with the breadth of the 	<ul style="list-style-type: none"> ◆ Do your child care providers have software to manage their child care business? ◆ Do the child care program and the child care providers have an adequate supply chain for supplies needed for effective operations?

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	<p>language used in the statute, so that child care providers can flexibly meet their individual needs. Examples of goods that might be necessary to maintain or resume child care services include food and equipment and materials to facilitate play, learning, eating, diapering and toileting, or safe sleep.</p> <ul style="list-style-type: none"> ◆ Examples of services that are allowable include business automation training and support services, shared services, child care management services, food services, and transportation. ◆ The category also covers fees associated with licensing and costs associated with meeting licensing requirements. 	
<p>Mental Health Services</p>	<ul style="list-style-type: none"> ◆ As you think about the impacts of the COVID-19 pandemic, consider the impacts of mental health as an important component to a child's safety and wellbeing. Mental health impacts all aspect of a child's life, including their ability to succeed in school and progress throughout adolescent developmental stages. ◆ Children who are returning to child care centers after an extended period at home will need support to acclimate to a new environment. 	<ul style="list-style-type: none"> ◆ Do you providers have mental health supports in place for both children and employees? ◆ What are the mental health needs for children in your community? ◆ Have you conducted a needs, strengths, and opportunities assessment? ◆ What are potential barriers to accessing mental health services? ◆ What are ways to expand the reach of services? ◆ What are ways that you can evaluate the impact of the mental health services in place? ◆ Do your Tribally Operated Center or child care program have mental health policies and procedures developed?

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	<p>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"> ◆ The ARP Act child care stabilization grants provide an opportunity for lead agencies to invest in mental health supports for child care providers and children. 	<ul style="list-style-type: none"> ◆ Have you considered hiring additional staff to meet the relational needs of children in the classroom and the work of the teacher? ◆ Do you have any cultural supports in mind to support the mental health of children and providers? ◆ Are there any Indigenous holistic approaches available in your community to support mental health?
<p>Paying for Past Expenses</p>	<ul style="list-style-type: none"> ◆ Prior to the passage of ARP, child care providers incurred substantial financial losses. Paying for past expenses is one vital way to ensure future viability and that any remaining after-effects of the COVID-19 pandemic are addressed. 	<ul style="list-style-type: none"> ◆ Were funds spent on any sanitization supplies or equipment? ◆ Were any expenses related to accommodating new safety and staffing protocols?

The Tribal Child Care Capacity Building Center, A Service of the Office of Child Care, Building Center is located at the Tribal Child Care Capacity Building Center, 1950 Belmont Road, Suite 2100, Miami, FL 33149. For more information, please contact the Tribal Child Care Capacity Building Center at 1-844-710-TCBC (8222) or visit our website at www.tccbc.org.

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