

# **Instructions for Completion of Form ACF-696T Financial Reporting Form for Child Care and Development Fund (CCDF) Tribal Lead Agencies**

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## **OVERVIEW**

Pursuant to CCDF regulations at 45 CFR 98.65(h)(5)(i), and as part of the terms and conditions of the CCDF grant award, Tribal Lead Agencies are required to complete and submit annual financial status reports (ACF-696T) in accordance with these instructions.

The ACF-696T form and instructions can be found on the Office of Child Care (OCC) website at: <https://www.acf.hhs.gov/occ/policy-guidance/ccdf-state-territory-and-tribal-reporting>.

CCDF is the primary federal funding source for child care subsidies and includes child care programs conducted under the provisions of the Child Care and Development Block Grant Act (CCDBG Act), as amended. For Tribal Lead Agencies, the CCDF consists of Discretionary funds authorized under section 658B of the amended Act, and Mandatory funds appropriated under Child Care Entitlement (CCE) section 418 of the Social Security Act. Additional legislation authorized one-time supplemental CCDF funding for Tribal Lead Agencies, as described below.

## **TERMINOLOGY**

To ensure clear communications for overlapping grant periods, please use the following terminology:

- Grant year (GY) refers to the federal fiscal year during which funds are awarded, although Tribal Lead Agencies may liquidate CCDF funding streams in later fiscal years.
- Federal fiscal year (FFY) refers to the federal fiscal year period from October 1 through September 30, during which Tribal Lead Agencies may spend funds awarded.
- Reallotted Discretionary funds are unused current GY Discretionary funds re-awarded into Year 2 of the same originating GY to other Tribal Lead Agencies (thus retaining original obligation and liquidation requirements).
- Funding stream refers to Discretionary funding authorized under the CCDBG Act and Mandatory funding authorized under CCE. Combined, the CCDBG and CCE are commonly called the Child Care and Development Fund (CCDF).

## **SUBMISSION AND DUE DATES**

**Electronic Submission.** The ACF-696T must be submitted electronically via the through the website: [pmsapp.psc.gov/pms/app/login](https://pmsapp.psc.gov/pms/app/login). The electronic submission requirement is outlined in the [Final Notice To Announce the Implementation of Required Electronic Submission of State or Tribal Plans, and Program and Financial Reporting Forms for Mandatory Grant Programs](#).

If you are a new user and need access to PMS, then refer to the detailed instructions available on the official PMS Website: [User Access | HHS PSC FMP Payment Management Services](#). A grantee who already has access to PMS can modify the current access level to gain access to the CCDF financial reporting functionality. To update User Access: Login to PMS – select "Menu" – User Account Maintenance – Update Privileges. Select "Financial Report ACF CCDF 696/696T" to access the report. Once updated, you can navigate to the report from the main menu. Menu – Federal Financial Reporting – ACF Financial Reporting – CCDF Report.

**Due Date.** The ACF-696T form must be received by ACF within 90 days after the end of the federal fiscal year (FFY)—i.e., December 29 of each year. Tribal Lead Agencies must submit separate annual reports for each GY in which CCDF funds were awarded. An interim cumulative report must be submitted annually, even if no expenditures are made, until all funds awarded in each GY are liquidated. Interim cumulative reports must be submitted for funds that have received a fiscal waiver to extend the obligation and/or liquidation deadline.

The following is an example of potential reports due:

Potential reports due for FFY ending 9/30/2024:

*Year 5 GY2020 report due on or before 12/29/2024 (if period extended through a waiver)*

*Year 4 GY2021 report due on or before 12/29/2024 (if period extended through a waiver)*

*Year 3 GY2022 report due on or before 12/29/2024*

*Year 2 GY2023 report due on or before 12/29/2024*

*Year 1 GY2024 report due on or before 12/29/2024*

Potential reports due for FFY ending 9/30/2025:

*Year 6 GY2020 report due on or before 12/29/2025 (if period extended through a waiver)*

*Year 5 GY2021 report due on or before 12/29/2025 (if period extended through a waiver)*

*Year 4 GY2022 report due on or before 12/29/2025 (if period extended through a waiver)*

*Year 3 GY2023 report due on or before 12/29/2025*

*Year 2 GY2024 report due on or before 12/29/2025*

*Year 1 GY2025 report due on or before 12/29/2025*

Potential reports due for FFY ending 9/30/2026:

*Year 6 GY2021 report due on or before 12/29/2026 (if period extended through a waiver)*

*Year 5 GY2022 report due on or before 12/29/2026 (if period extended through a waiver)*  
*Year 4 GY2023 report due on or before 12/29/2026 (if period extended through a waiver)*  
Year 3 GY2024 report due on or before 12/29/2026  
Year 2 GY2025 report due on or before 12/29/2026  
Year 1 GY2026 report due on or before 12/29/2026

Potential reports due for FFY ending 9/30/2027:

*Year 5 GY2023 report due on or before 12/29/2027 (if period extended through a waiver)*  
Year 3 GY2025 report due on or before 12/29/2027  
Year 2 GY2026 report due on or before 12/29/2027  
Year 1 GY2027 report due on or before 12/29/2027

Normally, Tribal Lead Agencies may submit up to three reports at the end of any given FFY. Reports are not needed once funds are fully expended or a final report is submitted; a final report may be submitted at the end of any year during the grant period. Note that the number of reports due at the end of any given FFY may be more than three if the Tribal Lead Agency receives liquidation period waivers for one or more Grant Years.

**Supporting Documentation.** Upon request, a Tribal Lead Agency must provide the Administration for Children and Families with supporting documentation for any reported expenditures to ensure compliance with federal CCDF rules.

## **GENERAL INSTRUCTIONS AND IDENTIFYING INFORMATION**

**Overall:** All expenditures for the GY must be reported in the ACF-696T form.

- Report out to cents.
- Include costs of contracts and subcontracts in the appropriate reporting category based on their nature or function.

**PMS auto-populated information:** Review and confirm the PMS auto-populated information on the ACF-696T form. If the information is incorrect, please notify your Grants Management Specialist.

- Tribal Lead Agency;
- Grant Year (GY) is the federal fiscal year when funds were awarded. The GY for an award can be found at the top of the Notice of Grant Award received from ACF and is displayed in the first and second positions of the grant document number.
- Grant Document Number (GDN) is found on page 2 of the Notice of Award under the section "Financial Information" and heading "Document Number". *Note:* "CCDF" refers specifically to the Mandatory funding stream as well as generally to the ACF-696T report,

which describes expenditure from all CCDF funding streams (e.g., CCDF, CCDD, CONT, etc.). Therefore, the GDN shown at the top of the report form should be \*\*\*\*\*CCDF.

- Expenditure period covered by the report (i.e., the period during which reported cumulative expenditures were made). The expenditure period should correspond with the FFY—beginning on October 1 and ending on September 30. For example, if the Tribal Lead Agency is reporting expenditures made during FFY 2024, the expenditure period reported on the ACF-696T form would be “10/1/2023 to 9/30/2024”.

**Final Report.** Check box at top of the form to indicate whether the submission is Final (Yes or No). A Tribal Lead Agency should mark “yes” if it fully expended funds for the given GY and should mark “no” if it plans future expenditures from the given GY prior to the end of the liquidation period. *Note:* Reports marked “Final” must match the corresponding Payment Management System (PMS) grant accounts, e.g., expenditures in the final report must match the final PMS disbursed and PMS charged (drawn) funds.

**Report Revisions.** Each report submission is retained in PMS to ensure documentation of original filing dates and track revisions made. To file a report revision, the original report must be in a status of “Rejection by Awarding Agency”. If it is not, please contact your Grants Management Specialist. Once in this status, you may initiate and submit a revised report and PMS will indicate “Revision #1”, “Revision #2”, etc. as applicable at the top of the form.

## OBLIGATION AND LIQUIDATION

Generally, an “obligation” is an action that commits the funds, such as a legally binding agreement (e.g., contract or subgrant) between two parties for the purchase of services, supplies or equipment. “Liquidation” generally means the payment of funds to a third party because of an obligation.

More specifically, determination of whether funds are obligated or liquidated is based on applicable Tribal, State, or local law. If there is no applicable Tribal, State, or local law, then definitions at 45 CFR §75.2 apply as described further in the last paragraph of this section.

Depending on applicable law, obligations may include subgrants or contracts that require the payment of funds to a third party (e.g., subrecipient or contractor). However, the following are not considered third party recipients or contractors: (1) a local office of the Lead Agency; (2) another entity at the same level of government as the Lead Agency; or (3) a local office of another entity at the same level of government as the Lead Agency.

Funds for CCDF services provided through a child care certificate or voucher are considered obligated when a written certificate/voucher is issued to a family that indicates: (1) the amount

of funds that will be paid to a child care provider or family, and (2) the specific length of time covered by the certificate/voucher, which is limited to the date established for redetermination of the family's eligibility, but shall be no later than the end of the liquidation period.

In cases where Tribal, State, or local law as stated above does not apply, 45 CFR § 75.2 defines "obligations" and "liquidations" as follows:

- "Obligations" means orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-federal entity during the same or a future period.
- "Liquidations" (or outlays/expenditures) means charges made to the project or program. For reports prepared on a cash basis, liquidations are the sum of actual cash disbursement for direct charges for goods and services, the amount of indirect expenses incurred, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and subrecipients. For reports prepared on an accrued expenditure basis, liquidations are the sum of actual cash disbursements, the amount of indirect expenses incurred, the value of in-kind contributions applied, and the new increase (or decrease) in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subrecipients, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

**Obligation and Liquidation Periods by funding stream.** Each funding stream has different obligation and liquidation requirements. Tribal Lead Agencies must follow the applicable obligation and liquidation periods when expending and accounting for CCDF grant funds (see 45 CFR § 98.60(e)). Table 1 indicates standard obligation and liquidation requirements for each of the Tribal CCDF funding streams, including allowable and approved funds transferred to construction or major renovation. Table 1 does not reflect any obligation or liquidation deadlines that were extended by fiscal waivers. Table 2 provides GY 2024 funding stream examples. For funds transferred to construction or major renovation, obligation and liquidation periods begin with the year the funds were originally awarded regardless of the date of transfer. Funds cannot be transferred to construction or major renovation after the end of the FFY in which they were originally awarded. For additional information about obligation and liquidation deadlines for funds retroactively requested for construction and major renovation, see the section on Retroactive Requests for Construction below. Any funds transferred to construction or major renovation not liquidated by their respective due dates will revert to the federal government.

Table 1: Obligation and Liquidation Periods by funding stream:

	<b>Must be Obligated by:</b>	<b>Must be Liquidated by:</b>
Mandatory and Discretionary Funds	End of 2 <sup>nd</sup> FFY	End of 3 <sup>rd</sup> FFY
Mandatory and Discretionary Funds used for Construction or Major Renovation	End of 3 <sup>rd</sup> FFY*	End of 5 <sup>th</sup> FFY*
Discretionary Disaster Relief Act of 2019 Funds (GY2020 and GY2021)	End of 2 <sup>nd</sup> FFY	End of 3 <sup>rd</sup> FFY
Discretionary Disaster Relief Funds for Fiona and Ian (GY2023 and GY2024)	End of 4 <sup>th</sup> FFY	End of 5 <sup>th</sup> FFY
Child Care Disaster Relief Funds to address the impacts of Hurricanes Fiona and Ian, including construction (2023 Consolidated Appropriations Act, Pub. L. No. 117-328)	End of 4 <sup>th</sup> FFY	End of 5 <sup>th</sup> FFY
Discretionary CARES Act Funds	FFY2022 (9/30/2022)	FFY2023 (9/30/2023)
Discretionary CARES Act Funds used for Construction or Major Renovation	FFY2022 (9/30/2022)	FFY2023 (9/30/2023)
Discretionary CRRSA Act Funds (Funding source: GY21)	FFY2022 (9/30/2022)	FFY2023 (9/30/2023)
Discretionary CRRSA Act Funds used for Construction or Major Renovation (Funding source: GY21)	No separate obligation requirement**	FFY2023 (9/30/2023)
Supplemental Discretionary ARP Act Funds (Funding source: GY21)	FFY2023 (9/30/23)	FFY2024 (9/30/24)
Supplemental Discretionary ARP Act Funds used for Construction or Major Renovation (Funding source: GY21)	No separate obligation requirement**	FFY2024 (9/30/24)
Stabilization ARP Act Funds (including base amount) (Funding source: GY21)	FFY2022 (9/30/22)	FFY2023 (9/30/23)
Stabilization ARP Act Funds (including base amount) used for or Major Renovation (Funding source: GY21)	No separate obligation requirement**	FFY2023 (9/30/23)

\* Obligation and liquidation periods for construction or major renovation begin with the year the funds were originally awarded, not when they are transferred.

\*\* Effective April 30, 2024, the [final rule](#) changed the construction grant period to include a 3-year obligation period with an additional 2-years to liquidate for all Grant Years. The rule applies to all active prior Grant Year construction awards (45 CFR § 98.84(e)).

*Table 2: Example of Obligation and Liquidation Periods if the source of funds is GY 2024 (except where stated otherwise):*

<b>Funding source: GY2024</b>	<b>Must be Obligated by:</b>	<b>Must be Liquidated by:</b>
Mandatory and Discretionary Funds	FFY2025 (9/30/2025)	FFY2026 (9/30/2026)
Mandatory and Discretionary Funds used for Construction or Major Renovation	FFY2026 (9/30/2027)**	FFY2028 (9/30/2029)**
Discretionary Disaster Relief Act of 2019 Funds (Funding source: GY2021)	FFY2022 (9/30/2022)	FFY2023 (9/30/2023)
Child Care Disaster Relief Funds to address the impacts of Hurricanes Fiona and Ian, including construction (2023 Consolidated Appropriations Act, Pub. L. No. 117-328) (Funding source: GY2023)	FFY2026 (9/30/2026)	FFY2027 (9/30/2027)

\*\* Effective April 30, 2024, the [final rule](#) changed the construction grant period to include a 3-year obligation period with an additional 2-years to liquidate for all Grant Years. The rule applies to all active prior Grant Year construction awards (45 CFR § 98.84(e)).

### **Obligation and Liquidation Timeframes for Regular Mandatory and Discretionary Funding**

Tribal Lead Agencies have two years to obligate regular Mandatory and Discretionary funds and an additional year to liquidate. For example, GY 2024 Mandatory and Discretionary funds must be obligated by September 30, 2025. These funds must be liquidated by September 30, 2026.

Prior to April 30, 2024, regular Mandatory or Discretionary funds transferred to construction or major renovation had three years to liquidate with no separate obligation requirement. Effective April 30, 2024, the [final rule](#) established a three-year obligation period and a subsequent two-year liquidation period for regular Mandatory or Discretionary funds transferred to construction or major renovation. These new construction obligation and liquidation periods apply to all active prior grant year construction awards (45 CFR § 98.84(e)). Approved construction waivers received by a grant recipient may provide different obligation and/or liquidation periods.

### **Obligation and Liquidation Timeframes for Child Care Disaster Relief Funds to Address the Impacts of Hurricanes Fiona and Ian**

Tribal Lead Agencies have four years to obligate Child Care Disaster Relief funds to address the impacts of Hurricanes Fiona and Ian and an additional year to liquidate. For example, GY2023 funds must be obligated by September 30, 2026, and liquidated by September 30, 2027.

Child Care Disaster Relief funds used for construction or major renovation have the same obligation and liquidation periods as non-construction funds regardless of the date of transfer.

### **Obligation and Liquidation Timeframes for Discretionary CARES Act Funds**

Tribal Lead Agencies had three years to obligate Discretionary CARES Act funds and one year to liquidate. This gave Tribal Lead Agencies until September 30, 2022, to obligate Discretionary CARES Act funds awarded in GY 2020 and through September 30, 2023, to liquidate the funds.

Discretionary CARES Act funds transferred to construction or major renovation have the same obligation/liquidation requirements regardless of the date of transfer.

### **Obligation and Liquidation Timeframes for Discretionary CRRSA Act Funds**

Tribal Lead Agencies had two years to obligate Discretionary CRRSA Act funds and one year to liquidate. This gave Tribal Lead Agencies until September 30, 2022, to obligate Discretionary CRRSA Act funds, and through September 30, 2023, to liquidate the funds.

Discretionary CRRSA Act funds transferred to construction or major renovation have three years to obligate and two years to liquidate.

### **Obligation and Liquidation Timeframes for Supplemental Discretionary ARP Act Funds**

Tribal Lead Agencies had three years to obligate Supplemental Discretionary ARP Act funds (i.e., by September 30, 2023) and one year to liquidate (i.e., by September 30, 2024).

Supplemental Discretionary ARP Act funds transferred to construction or major renovation have the same obligation/liquidation requirements regardless of the date of transfer. Funds cannot be transferred to construction after the end of the FFY in which they were originally awarded.

### **Obligation and Liquidation Timeframes for Stabilization ARP Act Funds**

Tribal Lead Agencies had two years to obligate Stabilization ARP Act funds (i.e., by September 30, 2022) and one year to liquidate (i.e., by September 30, 2023).

Stabilization ARP Act funds transferred to construction or major renovation have three years to obligate and two years to liquidate.

## **SUPPLEMENTAL FUNDING STREAM NARRATIVE REPORTS**

The following supplemental funding streams for the GYs indicated require a separate narrative description of the services and activities funded with these awards. The narrative must be submitted as an attachment with each annual year-end submission of the ACF-696T expenditure report for the given GY until the awards are finalized. While each funding stream requires a separate description, it may be consolidated into one narrative report attachment.

- Discretionary Disaster Relief Act of 2019 (Column F) (GY2020 and GY2021 Discretionary CARES Act\* (Column H and I) (GY2020)
- Discretionary CRRSA Act\* (Column J and K) (GY2021)
- Supplemental Discretionary ARP Act\* (Column L and M) (GY2021)

At a minimum, the narrative reports should include the following items:

- A description of all services and activities funded by the funding stream;
- A breakdown of the funds expended by the Tribal Lead Agency during the FFY;
- Specific project or activity titles with descriptions of deliverables, and the name of the entity(ies) that are responsible for deliverables;
- Description of outputs, such as the number of persons served and/or products produced in activity.
- \*CARES, CRRSA, and Discretionary ARP Act funds should include a description of how funding was used for allowable activities that prevent, prepare for, and/or respond to COVID-19.

## **CUMULATIVE GRANT YEAR TOTALS**

All amounts reported in the ACF-696T must reflect expenditures of federal CCDF funds related to activities in the Tribal Lead Agency's approved CCDF plan and in accordance with all applicable statutes and regulations. Do not include Tribal, local, private, or other funds.

Tribal Lead Agencies should report amounts on a cumulative basis. For example, for funds awarded in GY 2024, the first interim report is due by December 29, 2024, the second interim report is due by December 29, 2025, and the third report is due by December 29, 2026. For regular Mandatory and Discretionary funds, the third report is likely the final report. Amounts reported in the second and third reports should reflect cumulative expenditures to date, including any expenditures that were included in the earlier report(s).

## **COLUMNS – CCDF FUNDING STREAMS**

Tribal Lead Agencies receive CCDF federal funds from two different sources, Mandatory and Discretionary. Both funds may be expended for the same purposes—child care services, child care administration, non-direct services, quality activities, and subject to ACF approval, construction or major renovation. Expenditures are subject to certain limitations and requirements that are described below in the line-by-line instructions. Each column represents a different funding stream awarded through Mandatory and Discretionary and described below.

**Column A. Mandatory Funds (CCDF).**

Amounts reported in this column relate to Mandatory funds provided under section 418 of the Social Security Act. Mandatory funds are child care funds set aside at section 418(a)(4) of the Social Security Act. The funds consist of \$100,000,000 of the Mandatory child care funds reserved by the Secretary in each fiscal year for payments to Indian Tribes and tribal organizations.

**Column B. Discretionary Funds (CCDD).**

Amounts reported in this column relate to Discretionary funds provided under the Child Care and Development Block Grant Act. This column does not include the base amount which is reported separately in Column C. Discretionary funds are child care funds authorized under section 658B of the Child Care and Development Block Grant Act. The Secretary reserves not less than 2 percent of total Discretionary funds in each GY for grants to Indian Tribes and tribal organizations.

**Column C. Discretionary Funds Base Amount (CCDD).**

Amounts reported in this column relate to the Discretionary base amount. Tribal grants from discretionary funds include a base amount of \$30,000 for individual Tribes. Tribal Lead Agencies representing a consortium of Tribes receive \$30,000 for each consortium member (or a pro-rated amount for members with fewer than 50 children). The base amount may be used for any activity consistent with the purposes of CCDF, including the administrative costs of implementing a child care program and is not subject to the 15 percent administrative cost limitation, the quality, infant toddler quality, or direct services spending requirements.

**Column D. Construction or Major Renovation Mandatory Funds (CONT).**

Amounts reported in this column relate to funds transferred from the Mandatory funds grant award to a separate grant award for construction or major renovation. A Tribal Lead Agency **must** request and receive ACF approval prior to using funds for construction or major renovation that are reported in Column D. If some or all funds transferred to the separate grant award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#). For more details about reporting retroactively requested funds approved for construction or major renovation, see the Report Instructions for Retroactive Requests below.

**Column E. Construction or Major Renovation Discretionary Funds (CONT).**

Amounts reported in this column relate to funds transferred from the Discretionary funds grant award to a separate grant award for construction or major renovation. A Tribal Lead Agency **must** request and receive ACF approval prior to using funds for construction or major renovation that are reported in Column E. If some or all funds transferred to the separate grant

award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#). For more details about reporting retroactively requested funds approved for construction or major renovation, see the Report Instructions for Retroactive Requests below.

**Column F. Disaster Relief Funds (CCDX).**

Amounts reported in this column relate to disaster relief funds, as applicable by Grant Year:

- GY2020 and GY2021: The Supplemental Appropriations for Disaster Relief Act of 2019 (Pub. L. 116-20) made disaster relief funds available to Tribal Lead Agencies and State and Territory Lead Agencies for child care expenses directly related to Hurricanes Florence and Michael, Typhoon Mangkhut, Super Typhoon Yutu, wildfires and earthquakes that occurred in calendar year 2018, and tornadoes and floods that occurred in calendar year 2019.
- GY2023 and GY2024: The 2023 Consolidated Appropriations Act (Pub. L. No. 117-328) made disaster relief funds available to specific Tribal Lead Agencies and State and Territory Lead Agencies to address the impacts of Hurricanes Fiona and Ian. Expenditures for approved construction and major renovation activities for these funds are reported in the same column.

**Column G.**

Not used.

**Column H. Discretionary CARES Act Funds (CCC3).**

Amounts reported in this column relate to Discretionary CARES Act funds. These funds were appropriated in the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 (Public Law 116-136). The CARES Act authorized \$3.5 billion in CCDF Discretionary funding, \$96,250,000 of which was allocated to Tribal Lead Agencies. The funding is in addition to the FFY 2020 appropriations levels and is meant to supplement, not supplant, Tribal general revenue funds for child care assistance for low-income families. The supplemental funds must be used for activities that prevent, prepare for, and respond to COVID-19. CARES Act funds are subject to all CCDF Discretionary requirements, except as noted.

**Column I. Discretionary CARES Act Funds—Construction or Major Renovation (CYC3).**

Amounts reported in this column relate to Discretionary CARES Act funds used for construction or major renovation. Tribal Lead Agencies may use Discretionary CARES Act funds for renovating, repairing, or rebuilding child care facilities, subject to ACF approval. ACF will transfer funds approved for use on construction or major renovation to a separate grant award. If some or all funds transferred to the separate grant award are not needed for construction or

major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#).

**Column J. Discretionary CRRSA Act Funds (CCC5).**

Amounts reported in this column relate to Discretionary CRRSA Act funds. These funds were appropriated in the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (via the Consolidated Appropriations Act of 2021, H.R. 133-402). The CRRSA Act included \$10 billion in CCDF Discretionary funding, \$275,000,000 of which was allocated to Tribal Lead Agencies. The funding is in addition to the FFY 2021 appropriations levels and is meant to supplement, not supplant, Tribal general revenue funds for child care assistance for low-income families. The supplemental funds must be used for activities that prevent, prepare for, and respond to COVID-19. CRRSA Act funds are subject to all CCDF Discretionary requirements, except as noted.

**Column K. Discretionary CRRSA Act Funds—Construction or Major Renovation (CYC5).**

Amounts reported in this column relate to Discretionary CRRSA Act funds used for construction or major renovation. Tribal Lead Agencies may use CRRSA Act funds for renovating, repairing, or rebuilding child care facilities, subject to ACF approval. ACF will transfer funds approved for use on construction or major renovation to a separate grant award. If some or all funds transferred to the separate grant award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#). For more details about reporting retroactively requested funds approved for construction or major renovation, see the Report Instructions for Retroactive Requests below.

**Column L. Supplemental Discretionary ARP Act Funds (CDC6).**

Amounts reported in this column relate to Supplemental Discretionary ARP Act funds. These funds were appropriated in the American Rescue Plan (ARP) Act of 2021 (P.L. 117-2). The American Rescue Plan Act included \$14,990,000,000 in CCDF Discretionary funding, \$449,700,000 of which was allocated to Tribal Lead Agencies. This funding is in addition to the GY 2021 appropriations levels and is meant to supplement, not supplant other federal, Tribal, State, Territory, and local public funds for child care services for eligible individuals. Previous COVID-19 related funding also had non-supplantation requirements but did not specify “federal” funds as the non-supplantation requirement does for ARP Act funding. Unlike CARES Act and CRRSA Act funds, Supplemental Discretionary ARP Act funding is not restricted to activities responding to the COVID-19 public health emergency. These funds are subject to all CCDF Discretionary requirements, except as noted.

**Column M. Supplemental Discretionary ARP Act Funds—Construction or Major Renovation (CONTCDC6).**

Amounts reported in this column relate to Supplemental Discretionary ARP Act funds used for construction or major renovation. Tribal Lead Agencies may use Supplemental Discretionary ARP Act funds for renovating, repairing, or rebuilding child care facilities, subject to ACF approval. ACF will transfer funds approved for use on construction or major renovation to a separate grant award. If some or all funds transferred to the separate grant award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#).

**Column N. Stabilization ARP Act Funds—Base Amount (CSC6).**

Amounts reported in this column relate to the Tribal base amount awarded as part of the Stabilization ARP Act funds. Section 2202 of the ARP Act of 2021 (P.L. 117-2) provided \$23,975,000,000 for stabilization grants to eligible child care providers, \$719,250,000 of which was allocated to Tribal Lead Agencies. ACF recognized the substantial effort of establishing a new child care stabilization program and awarded a stabilization base amount and a per-child amount for all Tribal Lead Agencies. The base amount for individual Tribes is \$30,000. Tribal Lead Agencies representing a consortium of Tribes received \$30,000 for each consortium member or a pro-rated amount for members with fewer than 50 children. Stabilization grant funding is in addition to the GY 2021 CCDF appropriations levels and is meant to supplement, not supplant, other federal, Tribal, State, and local public funds expended to provide child care services for eligible individuals. Previous COVID-19 related funding also had non-supplantation requirements but did not specify “federal” funds as the non-supplantation requirement does for ARP Act funding. The base amount may be used for any activity consistent with the purposes of the stabilization grants, including the administrative costs of implementing a child care stabilization program.

**Column O. Stabilization ARP Act Funds—Not Including Base Amount (CSC6).**

Amounts reported in this column relate to the Stabilization ARP Act funds that are awarded in addition to the base amount (in Column N) and distributed based on a per-child amount. ACF recognized the substantial effort of establishing a new child care stabilization program and awarded a stabilization base amount and a per-child amount for all Tribal Lead Agencies. The per-child amount is distributed among Tribal Lead Agencies based on the number of children under age 13 reported on the triennial child count. Stabilization grant funding is in addition to the GY 2021 CCDF appropriations levels and is meant to supplement, not supplant, other federal, Tribal, State, and local public funds expended to provide child care services for eligible individuals. Previous COVID-19 related funding also had non-supplantation requirements but did not specify “federal” funds as the non-supplantation requirement does for ARP Act funding.

**Column P. Stabilization ARP Act Funds —Construction or Major Renovation (CONTCS6).**

Amounts reported in this column relate to Stabilization ARP Act funds (base amount and per-child funds) used for construction or major renovation. Tribal Lead Agencies that were awarded Stabilization ARP Act funds may use those funds for renovating, repairing, or rebuilding child care facilities, subject to ACF approval. ACF will transfer any funds approved for use on construction or major renovation to a separate grant award. If some or all funds transferred to the separate grant award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#). For more details about reporting retroactively requested funds approved for construction or major renovation, see the Report Instructions for Retroactive Requests below.

**LINES**

**Line 1. Federal Funds Awarded (auto-populated).**

Confirm the auto-populated award amounts in Columns A, B, C, F, H, J, L, N, and O. This is the total amount of federal funds awarded for each funding stream identified in the columns for the GY being reported. Reallotted Discretionary funds, if any, are awarded into line 1 Column B in Year 2. No entry should be made in Columns D, E, G, I, K, M, and P. For example, Line 1 Column A should be the total amount of federal Mandatory funds issued to the Tribal Lead Agency for the relevant GY. The amount of funds awarded is indicated on the Notice of Grant Award received from ACF. The amount of funds awarded can also be found on the Office of Child Care's website at: <https://www.acf.hhs.gov/occ/data/ccdf-tribal-funding-allocations>. Please use the "final" allocation table for the relevant GY.

**Line 2. Transfer to Construction or Major Renovation (auto-populated).**

Confirm the auto-populated transfers to construction in Columns A, B, C, F, H, J, L, N, and O. This is the total amount of federal funds transferred to the construction or major renovation grant award for each column for the GY being reported. No entry should be made in Columns D, E, G, I, K, M, and P. The amounts reported on Line 2 are the amounts that have been transferred to the separate grant award for construction or major renovation--not amounts that were expended for construction or major renovation. Amounts expended for construction or major renovation are reported on Line 9.

For example, Line 2 Column A should contain the total amount of federal Mandatory funds transferred to construction or major renovation for the relevant GY. The amount of funds transferred to construction or major renovation is indicated on a separate construction or major renovation Notice of Grant Award received from ACF. Note that reallotted Discretionary funds, if any, are not awarded until Year 2 and therefore may not be transferred to construction.

Once funds are transferred for construction or major renovation, those funds remain in the new CONT award. If some or all funds transferred to the separate grant award are not needed for construction or major renovation, the Tribal Lead Agency should request permission from ACF to use the funds for other allowable CCDF purposes in accordance with [CCDF-ACF-PI-2023-01](#). If the Tribal Lead Agency requests that construction or major renovation funds be used for other child care activities, these funds are still reported in the respective construction columns (D, E, G, I, K, M, and P).

**Line 3. Total Funds Available (auto-calculated).**

Confirm the auto-calculated federal funds available in *all* columns (A through P) for each column for the GY being reported. For Columns A, B, C, F, H, J, L, N, and O, line 3 is equal to line 1 minus line 2. The amounts reported on line 3 should be equal to the funding amounts contained on the original Notice of Grant Award or any revised Notice of Grant Award(s), including those issued after the transfer of funds to the separate grant award for construction or major renovation. If applicable, this line should include reallotted Discretionary funds awarded during Year 2.

**Requirements Based on Tribal Allocation Sizes.** Some CCDF requirements vary based on the size of the Tribal Lead Agency's CCDF allocation. A Tribal Lead Agency's total GY 2016 CCDF allocation amount, or the GY of a Tribe's first CCDF award whichever is more recent, is used to determine allocation size, as follows:

- Large Allocations—more than \$1 million
- Medium Allocations—\$250,000 to \$1 million
- Small Allocations—less than \$250,000

**Line 4. Expenditures for Direct Services.**

In Columns A through M, enter federal expenditures made for child care services (also known as direct child care services) from the GY being reported. Child care services may be provided through grants or contracts for child care slots, certificates (or vouchers), or tribally operated centers. In addition, grants or contracts paid directly to providers for operational costs, staff costs, or other costs related to providing direct services for children receiving CCDF subsidies may be applied to the direct services category. If such a grant or contract provides funds to a provider serving both children participating in CCDF as well as other children, the portion of funding dedicated or reserved for services for children participating in CCDF can be counted as direct services. Tribal Lead Agencies with Tribally operated child care centers may consider all operational costs of their Tribally operated center as a direct service expense, though operational costs designed to improve the quality of care can be considered quality expenditures (see below).

*Direct Child Care Services Requirement for Discretionary Funding for Tribes with Medium and Large Allocations:* For GY 2020 and later, Tribal Lead Agencies with medium and large allocations must expend at least 70% of Discretionary per child funds for direct services less the *minimum* quality and infant and toddler quality spending requirements (see Line 7 and Line 8 for more detail) and less the amount spent on administrative activities (see Line 5 for more detail). Direct services expenditures from Discretionary Base and Disaster funds may be used to meet this spending requirement. This requirement does not apply to:

- Any funds transferred to a separate award for construction or major renovation activities unless the funds are repurposed back in accordance with [CCDF-ACF-PI-2023-01](#);
- Discretionary CARES Act expenditures reported in Columns H and I;
- Discretionary CRRSA Act expenditures reported in Columns J and K;
- Supplemental Discretionary ARP Act expenditures reported in Columns L and M; or
- Stabilization ARP Act expenditures reported in Columns N, O, and P.

The Tribal Lead Agency must reserve:

1. the *minimum* amount of funding required for quality activities (8% for GY 2020 and GY 2021 and 9% for GY 2022 and later);
2. the *minimum* amount of funding required for infant/toddler quality activities (3% of expenditures for Tribes with medium and large allocations); AND
3. the *actual* amount of Discretionary per child funding expended for administrative costs (Line 5 Columns B, F, H, and J).

*For GY 2021 and prior, by the end of the liquidation period:*

Line 4 Columns B, C, E, and F must be greater than or equal to ( $\geq$ ) 70% of [Line 12 Columns B, E, and F minus (-) (8% of Line 12 Columns B, E, and F plus (+) 3% of Line 12 Columns B, E, and F plus (+) Line 5 Columns B, E, and F)]. Note that column E expenditures are only included if Discretionary construction funds are repurposed, and Column F expenditures are only included for disaster funding for GY2020 or GY2021.

*For GY 2022 and later, by the end of the liquidation period:*

Line 4 Columns B, C, and E must be greater than or equal to ( $\geq$ ) 70% of [Line 12 Columns B and E minus (-) (9% of Line 12 Columns B and E plus (+) 3% of Line 12 Columns B and E plus (+) Line 5 Columns B and E)]. Note that column E expenditures are only included if Discretionary construction funds are repurposed .

Tribal Lead Agencies have flexibility regarding how they spend the base amount of Discretionary funds, so Column C is not included in the expenditure total used to calculate the minimum direct services spending percent threshold. In the calculations above, Column C is

included in

the calculation for direct child services (Line 4) but excluded from the calculation for total federal expenditures (Line 12) and child care administration (Line 5). The minimum direct services spending requirement does not apply separately to each individual column.

**Line 5. Expenditures for Child Care Administration.**

In Columns A through M, enter federal expenditures for child care administration from the GY being reported. Columns N, O, and P are not reported in this line because administrative expenditures for the Stabilization ARP Act funds are reported in rows 11(a) through 11(f).

As listed at 45 CFR § 98.54, examples of administrative activities include, but are not limited to:

- planning, developing, and designing the CCDF program;
- providing local officials and the public with information about the program, including the conduct of public hearings;
- preparing the application and Plan;
- developing agreements with administering agencies to carry out program activities;
- monitoring program activities for compliance with program requirements;
- preparing reports and other documents related to the program for submission to the U.S. Department of Health and Human Services;
- maintaining substantiated complaint files;
- coordinating the provision of CCDF services with other federal, State, and local child care, early childhood development programs, and before- and after-school care programs;
- coordinating the resolution of audit and monitoring findings;
- evaluating program results; and
- managing or supervising persons with responsibilities for the activities described above.

Administrative costs do **not** include the costs of:

- providing direct services
- establishing and operating a certificate program;
- eligibility determination and redetermination;
- the establishment and maintenance of computerized child care information systems;
- preparation and participation in judicial hearings;
- child care placement;
- recruitment, licensing, inspection, reviews, and supervision of child care placements;
- resource and referral services
- rate setting; and
- training of child care staff.

Not more than 15% of the total expenditures for the following funds may be used for administrative activities:

- Mandatory;
- Discretionary per child;
- Construction repurposed to other CCDF activities (including CARES, CRRSA and Supplemental ARP construction funds);
- Disaster Relief Act of 2019;
- CARES Act;
- CRRSA Act;
- Supplemental Discretionary ARP Act.

At the end of the liquidation period, the sum of Columns A, B, D, E, F, H, I, J, K, L, and M on Line 5 (child care administration) cannot exceed 15 percent of the sum of A, B, D, E, F, H, I, J, K, L, and M on Line 12 (total federal expenditure). The amount from Column F calculated toward the administration limit includes expenditures for the Disaster Relief Act of 2019 in GY2020 or GY2021. The amounts from Columns D, E, I, K, and M calculated toward the administration limit are repurposed construction funds only, if applicable. The 15 percent limit is calculated on the total of these columns. The 15 percent limit does not apply separately to each individual column. Columns C and G are not included in this calculation. The following funds are *not* subject to the administrative cost limitation:

- Base amount of the Discretionary funds;
- Any funds transferred to a separate award for construction or major renovation activities unless the funds are repurposed back in accordance with [CCDF-ACF-PI-2023-01](#); and
- The Child Care Disaster Relief funds to address the impacts of Hurricanes Fiona and Ian (both non- construction and construction uses) for GY2023 and GY2024.

Stabilization ARP Act funds reported in columns N, O, and P are not included in this calculation because administrative expenditures are reported separately in rows 11(a) through 11(f).

Many federal programs permit Indian Tribes and tribal organizations to apply an indirect cost rate to account for administrative costs that cannot be easily charged to a specific program (e.g., accounting and personnel services). An indirect cost rate is arrived at through negotiation between an Indian Tribe or tribal organization and the appropriate federal agency. Indirect costs, as determined by an indirect cost agreement, are an allowable expense for Tribal Lead Agencies under CCDF and, if expended, should be reported on Line 5. Regardless of a Tribal Lead Agency's negotiated indirect cost rate, CCDF administrative costs cannot exceed the 15 percent administrative cost limit.

**Line 6. Expenditures for Non-Direct Services.**

In Columns A through M, enter federal expenditures for child care non-direct services from the GY being reported. Non-direct services are child care services provided that are not direct services to families (reported on Line 4) and are not considered administrative costs under 45 CFR § 98.54 (reported on Line 5).

Stabilization ARP Act expenditures (columns N, O, and P) are not reported in this row and are reported in rows 10 and rows 11(a) through 11(f).

Non-direct services are child care services provided that are not direct services to families and are not considered administrative costs under 45 CFR § 98.54. Non-direct services include:

- establishing and operating a certificate program;
- eligibility determination and redetermination;
- the establishment and maintenance of computerized child care information systems;
- preparation and participation in judicial hearings;
- child care placement;
- recruitment, licensing, inspection, reviews, and supervision of child care placements;
- rate setting; and
- training of child care staff.

Non-direct services are not the same as indirect costs. Indirect costs are administrative costs that cannot be easily allocated to a specific program and are reported on Line 5.

**Line 7. Expenditures for Quality Activities (excluding infant and toddler quality activities reported on line 8).**

In Columns A through M, enter the federal expenditures for quality activities from the GY being reported.

Quality activities are designed to improve the quality and availability of child care. Examples of quality activities include, but are not limited to:

- Supporting the training, professional development, and postsecondary education of the child care workforce;
- Developing, implementing, or improving early learning and development guidelines;
- Developing, implementing, or enhancing a tiered quality rating and improvement system (QRIS);
- Improving the supply and quality of child care programs and services for infants and toddlers;
- Supporting child care resource and referral services;

- Facilitating compliance with inspection, monitoring, training, and health and safety requirements;
- Evaluating and assessing the quality and effectiveness of child care programs;
- Supporting child care providers in the voluntary pursuit of accreditation;
- Supporting development and adoption of high-quality program standards;
- Carrying out other activities to improve the quality of child care services provided; and
- Engagement of individuals with direct experience in the child care subsidy system to improve the quality of child care and child care subsidy policy.

Lead Agencies with Tribally operated child care center may, at their option, consider certain operational costs designed to improve the quality of care, such as training and professional development of staff, to be quality expenditures.

For additional examples of quality improvement activities, see 45 CFR § 98.53. For GY 2019, a Tribal Lead Agency shall expend no less than 7 percent of the combined Mandatory and Discretionary (per child and base), and repurposed construction funds for quality activities. For GY 2020 and GY 2021, a Tribal Lead Agency shall expend no less than 8 percent of the amount of the combined Mandatory and Discretionary (per child and base), repurposed construction funds, and Discretionary Disaster Relief Act of 2019 funds. For GY 2022 and later, a Tribal Lead Agency shall expend no less than 9 percent of the combined Mandatory and Discretionary (per child and base), and repurposed construction funds for quality activities. The minimum spending requirement applies to funds expended rather than the total of funds available.

For all Tribal Lead Agencies (regardless of allocation size):

*For GY 2019, at the end of the liquidation period:*

The sum of the amounts in Columns A, B, C, D, and E on Line 7 (quality activities) must be at least 7 percent of the sum of Columns A, B, D, and E on Line 12 (total federal expenditures) where columns D and E are repurposed construction only.

*For GY 2020 and GY 2021, at the end of the liquidation period:*

The sum of the amounts in Columns A, B, C, D, E, and F on Line 7 (quality activities) must be at least 8 percent of the sum of Columns A, B, D, E, and F on Line 12 (total federal expenditures) where columns D and E are repurposed construction only.

*For GY 2022 and later, at the end of the liquidation period:*

The sum of the amounts in Columns A, B, C, D, and E on Line 7 (quality activities) must be at least 9 percent of the sum of Columns A, B, D, E, and F on Line 12 (total federal expenditures) where columns D and E are repurposed construction only.

Tribal Lead Agencies have flexibility regarding how they spend the base amount of Discretionary funds, so Column C is not included in the expenditure total that is used to calculate the minimum spending percent threshold. In the calculation described above, Column C is included in the sum for quality activities (Line 7) but excluded from the sum of total federal expenditures (Line 12). The minimum quality spending requirement does not apply separately to each individual column.

The following expenditures are *not included* in the quality spending calculation:

- Any funds transferred to a separate award for construction or major renovation activities unless the funds are repurposed back in accordance with [CCDF-ACF-PI-2023-01](#);
- Discretionary Disaster Relief Act of 2019 expenditures used for construction or major renovation and reported in Column G (GY2020 and GY2021);
- Child Care Disaster Relief funds to address the impacts of Hurricanes Fiona and Ian reported in Column F (GY2023);
- Discretionary CARES Act expenditures reported in Columns H and I;
- Discretionary CRRSA Act expenditures reported in Columns J and K; and
- Supplemental Discretionary ARP Act expenditures reported in Columns L and M.

**Line 8. Expenditures for Infant/Toddler Quality Activities.**

In Columns A through M, enter the federal expenditures for infant/toddler quality activities from the GY being reported.

Infant and toddler quality activities are designed to improve the quality and availability of child care for infants and toddlers. Examples of infant and toddler quality activities include, but are not limited to:

- Establishing or expanding high-quality community or neighborhood-based family and child development centers;
- Establishing or expanding the operation of community or neighborhood-based family child care networks;
- Promoting and expanding child care providers' ability to provide developmentally appropriate services for infants and toddlers;
- Developing infant and toddler components in the Tribal Lead Agency's quality rating and improvement system (QRIS), licensing regulations, and the early learning and development guidelines; and,
- Providing health and safety training, including training in safe sleep practices, first aid, and cardiopulmonary resuscitation (CPR) for child care providers and caregivers working with infants and toddlers.

Tribes with medium and large allocations are required to spend at least 3 percent of total expenditures on infant/toddler quality activities applies to funds expended rather than total of funds available.

*For GY 2019 through GY 2022, at the end of the liquidation period:*

The sum of the amounts in Columns A, B, C, D, E, and F on Line 8 (infant/toddler quality activities) must be at least 3 percent of the sum of Columns A, B, D, E, and F on Line 12 (total federal expenditures) where columns D and E are repurposed construction only.

*For GY2023 and later, at the end of the liquidation period:*

The sum of the amounts in Columns A, B, C, D, and E on Line 8 (infant/toddler quality activities) must be at least 3 percent of the sum of Columns A, B, D, and E on Line 12 (total federal expenditure) where columns D and E are repurposed construction only. Column F Disaster fund expenditures, if any, applies only for GY2020 and GY2021.

Tribal Lead Agencies have flexibility regarding how they spend the base amount of Discretionary funds, so Column C is not included in the expenditure total that is used to calculate the minimum spending percent threshold. In the calculation described above, Column C is included in the sum for infant/toddler quality activities ( Line 8) but excluded from the sum of total federal expenditures (Line 12). The minimum infant/toddler quality spending requirement does not apply separately to each individual column.

The following expenditures are *not included* in the infant/toddler quality spending calculation:

- Any funds transferred to a separate award for construction or major renovation activities unless the funds are repurposed back in accordance with [CCDF-ACF-PI-2023-01](#);
- Discretionary Disaster Relief Act of 2019 expenditures used for construction or major renovation and reported in Column G (GY2020 and GY2021);
- Disaster Relief funds to address the impacts of Hurricanes Fiona and Ian reported Column F (GY2023);
- Discretionary CARES Act expenditures reported in Columns H and I;
- Discretionary CRRSA Act expenditures reported in Columns J and K; and
- Supplemental Discretionary ARP expenditures reported in Columns L and M.

**Lines 4 through 8 and 10 through 11: Use of Repurposed Construction or Major Renovation Awards for Activities Other Than Construction and Major Renovation.**

If a Tribal Lead Agency requests and receives approval to use construction or major renovation funds for CCDF activities other than construction or major renovation, those funds are not moved back to the original funding stream (including Mandatory, Discretionary, Discretionary Disaster Relief Act of 2019 funds, Discretionary CARES funds, Discretionary CRRSA Act funds, Supplemental Discretionary ARP Act, or Stabilization ARP Act funds). While the funds remain in

the separate grant award for construction or major renovation, the Tribal Lead Agency can use the funds for CCDF activities other than construction or major renovation.

For Columns D, E, G, I, K, and M a Tribal Lead Agency should **not** enter data on Lines 4 through 8 unless the Tribal Lead Agency has requested and received approval to spend construction or major renovation funds on CCDF activities other than construction or major renovation. For Column P (Stabilization ARP funds), a Tribal Lead Agency should **not** enter data on Lines 10 through 11 unless the Tribal Lead Agency has requested and received approval to spend construction or major renovation funds on CCDF activities other than construction or major renovation. If a request to repurpose funds for construction and major renovation was made and approved, Lines 4 through 8 for Columns D, E, G, I, and K and Lines 10 through 11 for Column P are left "open" for data entry so the Tribal Lead Agencies can report construction or major renovation funds that have been approved for use on other CCDF activities.

**Line 9. Expenditures for Construction or Major Renovation.**

In Columns D, E, I, K, M and P, enter the federal expenditures for construction or major renovation for the GY being reported. Tribal Lead Agencies with retroactive requests for funds for construction or major renovation under ACF should review the separate reporting instructions under the heading "[Report Instructions for Retroactive Requests for Construction](#)" on page 28 of the instructions.

Note: Child Care funds cannot be spent for construction or major renovation until a Tribal Lead Agency has applied for and received approval from ACF.

**Line 10. Stabilization ARP Act Sub-grants to Providers.**

Tribal Lead Agencies must expend at least 80 percent of stabilization funds, excluding the base amount, on subgrants to eligible qualified child care providers as defined in section 2202(d)(2) (B) of the ARP Act. Subgrant funds must be provided prospectively to child care providers. Child care providers may use stabilization subgrants funds to reimburse themselves for expenditures made on allowable expenses prior to enactment of the ARP Act. Child care providers may use stabilization subgrants to cover the following expenses:

- Personnel costs;
- Rent, utilities, facilities maintenance, and insurance;
- Personal protective equipment, cleaning, and other health and safety practices;
- Equipment and supplies;
- Goods and services; and,
- Mental health services.

By the end of the liquidation period, Line 10 (ARP Act stabilization sub-grants) column O + column P (per child repurposed construction only, if any)  $\geq$  must be greater than or equal to

80% of Line 12 column O + Line 12 (total federal expenditures) column P (per child repurposed construction only, if any). The 80% requirement does not apply to the base amount reported in column N or any repurposed base construction funds, if any, in column P. Base amount funds may be used for administration and technical assistance expenditures.

**Line 11. Stabilization ARP Act Set Aside (Administration and Technical Assistance) (auto-calculated).**

Confirm the auto-calculated total of lines 11a through 11f. Tribal Lead Agencies may spend up to 20 percent of Stabilization ARP Act funds (not including base amount funds) for the five categories of administrative, activities to build supply, and technical assistance activities described below and found in section 2202(d)(1) of the ARP Act. Tribal Lead Agencies may spend part, or all, of this set-aside directly or may fund intermediaries through contracts or grants. Tribal Lead Agencies may fund intermediaries to help administer subgrants to providers. If Tribal Lead Agencies choose to use intermediaries to distribute subgrants to child care providers, the subgrant funds themselves do not count as part of the set-aside; however, any amounts spent by the intermediary for administration, activities to build supply, or technical assistance (*i.e.*, amounts not passed through to providers) must be included in the overall set-aside by the Lead Agency.

By the end of the liquidation period, Line 11 (ARP Act stabilization sub-grants) column O + column P (per child repurposed construction only, if any)  $\leq$  must be less than or equal to 20% of Line 12 column O + Line 12 (total federal expenditures) column P (per child repurposed construction only, if any). The 20% cap does not apply to the base amount reported in column N nor any repurposed base construction funds, if any, in column P. Base amount funds may be used for administration and technical assistance expenditures.

The following sub-categories for Stabilization Set-Aside are included on the ACF-696T form reporting expenditures under for Line 11:

- *Line 11(a) – Subgrant administration:* Tribal Lead Agencies may use the set-aside to assist with administering the stabilization subgrants. Tribal Lead Agencies are encouraged to use a portion of their set-aside to cover the cost of staffing and systems necessary to administer and process the subgrants in a timely, transparent, and effective manner to help stabilize the child care sector. These funds represent an unprecedented opportunity that will be difficult to realize without adequate staffing and system supports at the Tribal level.
- *Line 11(b) – Systems:* Tribal Lead Agencies may use the set-aside to make upgrades to data collection and technology systems needed to administer subgrants and collect data.

- *Line 11(c) – TA - Application:* Tribal Lead Agencies may use the set-aside to provide technical assistance and support to qualified child care providers applying for stabilization subgrants. Examples of technical assistance include:
  - A staffed helpline or chat function to provide real time assistance for completing applications;
  - Support for collecting documentation showing operating expenses; and
  - Resources such as frequently asked questions to help with the completion of the applications. Tribal Lead Agencies are encouraged to devise technical assistance and support that meets the needs of different types of child care providers so that stabilization subgrants support the sector in ways that will meet parents' needs and preferences. Support options such as helplines and chat, as well as written materials should be available in multiple languages to reflect the population of languages spoken by the Tribe. In addition, Tribal Lead Agencies are strongly encouraged to partner with culturally relevant organizations and trusted messengers who can support a diverse range of child care providers in navigating the application process.
- *Line 11(d) – TA – Implementation:* Tribal Lead Agencies may use the set-aside to provide technical assistance and support to child care providers receiving subgrants.
- *Line 11(e) – Publicity:* Tribal Lead Agencies may use the set-aside to publicize and conduct outreach about the stabilization subgrants and the application process and can fund partners and organizations trusted by child care providers to carry out these activities.
- *Line 11(f) – Activities to Build Supply:* Tribal Lead Agencies may use the set-aside to carry out activities to build the supply of child care. Examples of activities to increase the supply of child care include the following:
  - Start-up resources and grants;
  - Administrative costs associated with increasing the use of grants and contracts for child care services;
  - Facilitating a financing program with low- or no-interest loans to programs interested in start-up expansion, or improvement in areas of need;
  - Facility improvement grants;
  - Staffed family child care networks;
  - Technical assistance on business practices;
  - Developing and implementing a strategic plan for building supply;
  - Expanding the use of shared services models;
  - Improvements to Tribal Lead Agency data systems that will be used to better meet the demand for child care;
  - Conducting community needs assessments; and
  - Efforts to increase access to licensing or participation in quality rating and improvement systems.

Stabilization ARP Act set-aside funds used to carry out activities to increase the supply of child care may not be used to fund direct child care services. Rather, these funds are meant to cover the cost of activities related to supporting direct child care services. Tribal Lead Agencies are encouraged to use funding provided in section 2201 of the ARP Act, as well as funding in previous COVID-19 packages and regular CCDF funds, to provide child care assistance to more children and families.

It is allowable to use these funds for facility maintenance and improvement of child care facilities. However, as qualified providers receiving subgrants may use subgrants for facility maintenance and improvements, Tribal Lead Agencies should ensure that the funds from the set-aside are not duplicating activities funded through subgrants. Use of the set-aside funds for facility maintenance and improvement are meant to increase the overall supply of child care. A lack of adequate child care facilities can be a major barrier to meeting the needs of working families in some communities. Further, some providers may not be licensed or CCDF-eligible because their facilities do not meet certain requirements, limiting the supply of regulated child care. Funding for facility improvements and minor renovations, such as renovating bathrooms and installing railings and ramps to improve physical accessibility, may be necessary to ensure children are cared for in safe and developmentally appropriate settings.

Construction of new facilities and major renovations, as defined at 45 CFR § 98.2, are allowed for Tribal Lead Agencies that have received prior approval from ACF (42 U.S.C. § 9858d(b)(1)).

**Line 12. Total Federal Expenditures (auto-calculated).**

Confirm the auto-calculated total federal funds expenditures for *all* columns (A through P) for the GY being reported.

For Columns A through M, Line 12 is equal to Line 4 + Line 5 + Line 6 + Line 7 + Line 8 + Line 9. For

Columns N through P, Line 12 is equal to Line 9 + Line 10 + Line 11.

**Line 13a. Total Federal Obligations (Not Yet Liquidated) (excluding Construction/Major Renovation).**

For applicable columns, A through P, enter the total amount of obligated federal funds that have not been liquidated (excluding Construction/Major Renovation) for the GY being reported. See pages 3 through 7 of the instructions for a description of obligation and liquidation timeframes. Tribal Lead Agencies with requests for funds for construction or major renovation under ACF should review the separate reporting instructions under the heading [“Report Instructions for Retroactive Requests for Construction”](#) on page 28 of the instructions.

**Line 13b. Total Federal Obligations (Not Yet Liquidated) for Construction/Major Renovation.**

For column(s) D, E, I, K, M, and P, enter the total amount of obligated federal funds that have not been liquidated for Construction/Major Renovation for the GY being reported. Tribal Lead Agencies with retroactive requests for funds for construction or major renovation under ACF should review the separate reporting instructions under the heading [“Report Instructions for Retroactive Requests for Construction”](#) on page 28 of the instructions.

**Line 14. Total Federal Unobligated Balance (auto-calculated).**

Confirm the auto-calculated total federal unobligated funds in *all* columns (A through P) for the GY being reported. See pages 3 through 7 of the instructions for a description of obligation and liquidation timeframes.

Line 14 is equal to Line 3 (total funds available) minus [Line 12 + Line 13] (total federal expenditure plus total federal obligations (not yet liquidated)).

**Line 15: Reallotted Funds.**

In accordance with 45 CFR §98.64, unused Discretionary funds identified by the April 1 deadline will be reallotted to other Tribal Lead Agencies in proportion to their original allotments. To be eligible to receive reallotted funds, Tribal Lead Agency must indicate their interest on their ACF-696T annual report. Reallotted funds are recouped from Year 1 and then re-allotted (awarded) into Year 2 of the same Grant Year. Any portion of a Tribal Lead Agency’s Discretionary funds not required to carry out its plan in the period for which the allotment is made may be reallotted to other Tribal Lead Agencies in proportion to their original allotments. By April 1 of each year, Tribal Lead Agencies are required to report the dollar amount from the previous year’s grant that it will be unable to obligate by the end of the obligation period (September 30) in a letter to ACF. On the space provided on the ACF-696T (Line 15), indicate if the Tribal Lead Agency would like to receive its proportional share of reallotted Discretionary funds that **may** become available in the second FFY of a given grant period (check “yes” or “no”). **This portion of the form is simply a vehicle for Tribal Lead Agencies to request reallotted funds if they become available. This form is not used to report funds that the Tribal Lead Agency will be unable to obligate; these amounts must be reported in a letter prior to April 1, as described above.** In addition, Tribal Lead Agencies must ensure that all unobligated funds remain in its PMS account for de-obligation. **Note:** If the ACF-696T reports are not received within 90 days after the end of the FFY (December 29), the Tribal Lead Agency **will not** be eligible for reallotted Discretionary funds.

Based on the amounts available as indicated in the ACF-696T at the end of the obligation period and the letters submitted by interested Tribal Lead Agencies ACF will calculate the available reallotted funds. If funds are available, ACF will issue a negative Discretionary grant award to the Tribal Lead Agency based on the amount submitted in the letter and those Discretionary

funds will be reallocated. If the total amount available for reallocation from all Tribal Lead Agencies is \$25,000 or more, funds will be reallocated to other Tribal Lead Agencies. If the total available is less than \$25,000, no reallocation will take place, and funds will revert to the federal government. If an individual reallocation amount to a Tribal Lead Agency is less than \$500, the reallocation award will not be issued to that Tribal Lead Agency. If a Tribal Lead Agency does not submit a reallocation report by the April 1 deadline, a determination will be made that the Tribal Lead Agency does not have funds available for reallocation. In the case of a report received after April 1, any funds reported to be available for reallocation shall revert to the federal government.

## REPORT INSTRUCTIONS FOR RETROACTIVE REQUESTS FOR CONSTRUCTION

In June 2024, OCC offered a temporary opportunity for Tribal Lead Agencies to retroactively request to use CCDF funds including most COVID-relief funds for construction and/or major renovation with the intent of offsetting increased costs of materials, labor, and other related project costs. TLAs could also commit funds to construction and/or major renovation based on current needs as well as to account for challenges Tribal Lead Agencies were facing at the time such funds normally would have been reserved for this purpose. The following sections describe guidance specifically for the use of these funds.

**Obligation and Liquidation Periods.** Retroactive requests approved for funds for construction or major renovation retain the obligation and liquidation periods of their originating funding stream. Any fiscal waivers approved for those funding streams also apply to the funds retroactively requested for construction or major renovation. Table 3 indicates standard obligation and liquidation requirements for each of the Tribal CCDF funding streams. However, Table 3 does not reflect any obligation or liquidation deadlines that were extended by fiscal waivers.

*Table 3: Obligation and Liquidation Periods by funding stream:*

	Must be Obligated by:	Must be Liquidated by:
Mandatory and Discretionary Funds including funds retroactively approved for Construction or Major Renovation	End of 2 <sup>nd</sup> FFY	End of 3 <sup>rd</sup> FFY
Discretionary CRRSA Act Funds (Funding source: GY21) including funds retroactively approved for Construction or Major Renovation	FFY2022 (9/30/2022)	FFY2023 (9/30/2023)
Stabilization ARP Act Funds (including base amount) (Funding source: GY21) including funds retroactively approved for Construction or Major Renovation	FFY2022 (9/30/22)	FFY2023 (9/30/23)

\*\* The [final rule](#) changing the obligation and liquidation periods for construction grants does not apply to retroactively requested funds.

**Line 9. Expenditures Retroactively Requested for Construction or Major Renovation.**

In Columns A, B, C, J, N, and O enter the federal expenditures for retroactive requests for funds approved for construction or major renovation for the GY being reported.

Note: CCDF funds cannot be spent for construction or major renovation until a Tribal Lead Agency has applied for and received approval from ACF.

**Line 13a. Total Federal Obligations (Not Yet Liquidated) (including Construction/Major Renovation).**

For applicable columns, A through P, enter the total amount of obligated federal funds that have not been liquidated (including retroactive requests for funds approved for Construction/Major Renovation) for the GY being reported. See pages 3 through 7 of the instructions for a description of obligation and liquidation timeframes.

**Use of Repurposed Construction or Major Renovation Awards for Activities Other Than Construction and Major Renovation.**

Any retroactively requested funds approved for construction or major renovation can be used for CCDF activities other than construction or major renovation without completing a written request to repurpose the funds for this use (note that funds transferred to a construction account require a written request to repurpose funds for non-construction activities). These non-construction activities should be reported in the applicable line, not Line 9.

**SIGNATURES**

Electronic report submission in PMS is required for the ACF-696T form. The Data Entry Person, responsible for entering grant report data into PMS, can create and edit grant reports by default. However, the Certify role should be assigned to a separate person within the Tribal Lead Agency, such as the Authorized Official. By default, the Authorized Official has view-only and Certify roles, but additional roles such as Submit may be assigned. PMS requires certification of reports via e-signature by a Tribal Lead Agency staff person delegated with certification authority. PMS auto-populates the certifying official's name, agency, and phone number. Notify your Grants Management Specialist if the information is incorrect. Hardcopy submissions are no longer accepted.

**NOTE:** The individual who e-signs the report, specifically the Authorized Official with the Certify role, is certifying that: (a) the information provided on all parts of this form and all accompanying documents is accurate and correct.

## **PAPERWORK REDUCTION ACT OF 1995**

Per the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control number for this data collection is NO. 0970-0510. Public reporting for this collection of information is estimated to average seven hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.