

January 11, 2022

To:	Farly Learning Child Care	Centers and Child Care	Assistance Certified Family Hom	es
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Re: Update on Timeframe of Use of the American Rescue Plan Act (ARPA) of 2021 and Allowable Uses

Many providers applied for and received the ARPA Stabilization Grant in the summer of 2021. There have been questions concerning the timeframe for use of the funds as well as a reminder of allowable uses. According to the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care (OCC), see the timeframe of use of these funds and allowable uses of the ARPA Stabilization Grant funds detailed below. ARPA Round 2 applications will be released in March 2022. The same timeframe and allowable uses will apply to that grant. Note that ARPA Round 2 will be the final round of funding.

TIMEFRAME OF USE

Paying for past expenses

Prior to the passage of the ARP Act, child care providers incurred substantial financial losses in order to keep providing these essential services to their communities throughout the pandemic, and there were not sufficient resources available to support the child care sector. Prolonged and short-term closures, reduced hours, tuition adjustments, low enrollment, extra expenses related to sanitation and safety, and accommodations for new safety and staffing protocols have placed many child providers on very precarious financial footing for which prospective stabilization grants will not compensate. Assisting child care providers with these past financial losses will help ensure their future viability and are an essential component to stabilizing the availability of child care for our families and our communities as we recover from this pandemic.

Even with stabilization grants to help prospectively, the financial harm of the past year is likely to continue to reverberate without this targeted financial assistance. Therefore, under the authority granted in section 2202(e)(2) of the 21 ARP Act, providers can reimburse themselves for their costs incurred after the declaration of the public health emergency on January 31, 2020, for any of the uses of funds outlined below, as long as those uses were made in response to the COVID-19 public health emergency (including child care operating expenses related to rent and mortgage and facilities; personal protective equipment, sanitation, and health and safety; equipment and supplies; goods and services; and mental health services).

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ALLOWABLE USES

Personnel costs

Wages and benefits for child care program personnel, including increases in compensation for any staff in a child care center or family child care providers and their employees; health, dental, and vision insurance; scholarships; paid sick or family leave; and retirement contributions. Raising the wages of child care staff is a central part of stabilizing the industry, and providers are strongly encouraged to prioritize this use of funds in this manner. Other examples of allowable personnel costs include ongoing professional development or training, premium or hazard pay, staff bonuses, and employee transportation costs to or from work. Child care providers may also use resources to support staff in accessing COVID-19 vaccines, including paid time off for vaccine appointments and to manage side effects, as well as transportation costs to vaccine appointments.

Rent, utilities, facilities maintenance, and insurance

Rent (including rent under a lease agreement) or payment on any mortgage obligation, utilities, internet services, facility maintenance or improvements, or insurance. It also may include late fees or charges related to late payment. **ARPA grant funds may not be used for construction or major renovations including land purchases.** Allowable facility maintenance and improvements may include, but are not limited to, building or upgrading playgrounds, renovating bathrooms, installing railing, ramps, or automatic doors to make the facility more accessible, and removing non-load bearing walls to create additional space for social distancing.

Personal protective equipment, cleaning, and other health and safety practices

Personal protective equipment (PPE), COVID-19 testing kits, cleaning and sanitization supplies and services, or training and professional development related to health and safety practices. 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 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.

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Equipment and Supplies

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 the Louisiana Department of Education, Early Childhood.

Goods and services

This category includes any material good or service necessary for the operation of a child care program. 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. 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.

Mental health services

Providers may use these funds to support the mental health of children and employees. Infant and early childhood mental health consultation (IECMHC), an evidence-based, prevention-based strategy that teams mental health professionals with people who work with young children and their families to improve their social, emotional, and behavioral health and development in the settings where children learn and grow, is one example of an allowable mental health support. The wellbeing of caregivers is also important to stabilizing the child care sector because the mental health and wellbeing of staff impacts training, recruitment, and retention as well as the level of care provided to children. Mental health consultations for staff and other types of mental health supports to staff are also allowable.

As indicated in the application assurances, all transactions must be accounted for and documented appropriately. If you have any further questions, please contact the Early Childhood Provider Help Desk at 225-250-7635 or 225-252-9543 or email <u>ldeccap@la.gov</u> or enter a <u>ticket</u> at the Provider Help Desk.

Thank you for all you do for the families and children of Louisiana.

Sincerely,

Hos D. Brochard

Lisa G. Brochard Deputy Assistant Superintendent Division of Early Childhood Operations

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