

## OEC WEBINAR

CHILD CARE PROGRAM STABILIZATION FUNDING



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#### THE OEC



#### **OUR MISSION**

To partner with families of young children to advance equitable early childhood policies, funding and programs; support early learning and development; and strengthen the critical role of all families, providers, educators, and communities throughout a child's life. We will assertively remove barriers and build upon the strengths of historically disenfranchised people and communities to ensure fair access to OEC resources.

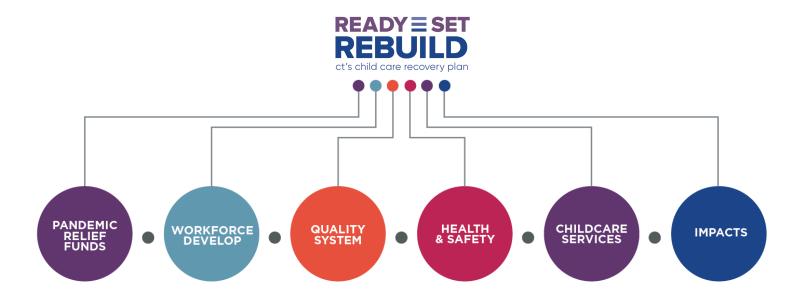
#### **OUR VISION**

All young children in Connecticut are safe, healthy, learning, and thriving. Each child is surrounded by a strong network of nurturing adults who deeply value the importance of the first years of a child's life and have the skills, knowledge, support, and passion to meet the unique needs of every child.





### BUILD CHILD CARE EVEN BETTER WITH A FULL SUPPORT PACKAGE FOR CONNECTICUT'S PROVIDERS







# READY SET REBUILD

ct's child care recovery plan







# CHILD CARE PROGRAM STABILIZATION FUNDING

We have secured federal funding to help invest in Connecticut's child care system, ensuring providers are stable, and child care is available for all families.

We continue to drive towards our vision: a consistent, high quality, accessible system of child care available to all families.

With that aim, a great deal of effort has gone into ensuring a fair and equitable distribution of relief funds.

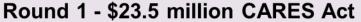
Working with our government partners, a formula has been developed that uses your child care's data—such as capacity, location, availability, accreditation, and more.

Equity requires extra and intentional steps, and this has been carefully considered and integrated into the formula.





#### THE FEDERAL FUNDS



CTCares for Frontline Workers, CTCares for Child Care Businesses, CTCares for Family Child Care, CTCares for Hospital Workers

#### Round 2 - \$70 Million CRRSA

obligated by 10/30/22 and liquidated by 10/20/23
The CRRSA Act allocated approximately \$10 billion in supplemental funding for the Child Care and Development Fund (CCDF) to prevent, prepare for, and respond to coronavirus



#### Round 3 ~\$276 million - American Rescue Plan (ARPA)

\$170 million for stabilization and \$106 million for expanded child care assistance





#### **APPLICATION & ACTION EQUITY**

### **WEEK OF MAY 10, 2021**

**APPLICATIONS OPEN** 

#### **Easy 3-Step Application Process**

#### STEP 1 FILL OUT THE APPLICATION

- Complete application to provide information OEC cannot pre-populate
- No questions impact equity bonus

#### STEP 2

#### **OEC CALCULATES**

- OEC will determine if your program qualifies & level of bonus (if applicable)
- And calculates your total funding amount

#### STEP 3

#### **RECEIVE FUNDS & QUESTIONS**

- You will receive the equity bonus funds automatically in your payments
- During the application process, send any questions to 211 Child Care at 1-800-505-1000 or email childcarefunding@ctunitedway.org

The program will receive three separate payments each separated by a 6-week interval. A fourth payment will be made for programs that opt in for staff compensation.







# **ELIGIBILITY**





#### **GRANT ELIGIBILITY**



#### **ELIGIBLE PROGRAMS**



- ▶ A licensed family child care home (DCFH), group home (DCGH), center (DCCC), or license-exempt center-based program (DCEX) that is eligible to receive Care 4 Kids.
- ➤ Currently open and actively serving children or those that can verify that they will be reopening and serving children (children will be in attendance) within 30 days of submission of your application.
- ▶ Must be fully licensed by May 1, 2021.





#### **ELIGIBLE EXPENSES**





- Personnel costs, including payroll and salaries or similar compensation for an employee (including any sole proprietor or independent contractor), and benefits
- Premium pay, or costs for employee recruitment and retention, including but not limited to staff bonuses, wages, costs of insurance coverage, retirement, educational advancement, tuition reimbursement and child care costs
- ▶ Rent (including under a lease agreement) or payment on any mortgage obligation, utilities, or insurance;
- Facility maintenance or improvements
- Personal protective equipment, 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
- ► Health and safety trainings for staff, including but not limited to, CPR, first aid and medication administration

Providers can also reimburse themselves for business expenses that they may have incurred from January 2020 - September 2023











#### THE FUNDING FORMULA

**Base Amount** 

Sum of Bonuses

=

**Funding Amount** 

BASE AMOUNT + Accreditation Bonus + C4K Bonus + Peak Pandemic Bonus + Equity Bonus = FUNDING AMOUNT

\*25% of center-based & group home funds are contingent upon opting into staff compensation (defined in application)





#### THE BASE AMOUNT

#### **BASE AMOUNT**

Variable	Description	Amount
\$640/Child* *if reported open Oct 12 – Oct 16, 2020	<ul> <li>Calculated based on funding available</li> <li>Higher base amount for programs who were open with children actively attending the week of October 12-16, 2020.</li> </ul>	\$640/child* \$440/child
\$440/Child		
Setting Type Adjustment	<ul> <li>Adjustment to reflect the different costs of care by setting</li> <li>Center-based &amp; group homes receive adjustment</li> </ul>	X 1.2
I/T Bonus	<ul> <li>Adjusting compensation for providers serving infants &amp; toddlers to reflect the higher cost per child</li> <li>Awarded to Center-Based programs that are endorsed to serve I/T</li> <li>Offered automatically to all FCC providers</li> </ul>	
Adjusted Licensed Capacity	<ul> <li>Licensed capacity for full time programs (open 30 hours + / week with at least 50% of your classrooms open 30 hours per week)</li> <li>½ capacity for part-time programs (less than 30 hours/week)</li> <li>Includes FCC's 3 school age slots at the full-time level</li> </ul>	Licensed capacity or ½ licensed capacity





#### **THE BONUSES**

#### **BONUSES**

Bonus	Description	Amount
Accreditation	Awarded to DCCC, DCGH, DCFH, DCEX programs with NAEYC accreditation, NAFCC accreditation, or Head Start Approval	Base <b>X</b> 0.20
C4K	Awarded to any program that received C4K benefits in any of the following months: Dec 2019, Dec 2020, or March 2021	Base <b>X</b> 0.15
Peak Pandemic	Awarded to programs that operated through the peak of the pandemic on at least 2 of the following 3 dates (dates used: March 27, 2020, April 20, 2020, May 4, 2020)	Base <b>X</b> 0.05
Equity Adjustment	Ent  ➤ Level 1 (SVI of > or equal to 0.6 and less than 0.8)  ➤ Level 2 (SVI > or equal to 0.8)  Base (le	
	*Discussed in later slides	Base <b>X</b> 0.35 (level 2)





#### **DIFFERENCES BETWEEN SETTING TYPE**

The formula accounts for the differing care models between Center-Based & Group Home providers and Family Child Care Home providers

# Center-Based & Group Home Providers

- ➤ Setting Type Adjustment Receive a 1.2x adjustment to their base payment to reflect the different costs of care in family child care Home settings vs. child care center settings
- ► Licensed Capacity Using licensed capacity data instead of attendance data to provide more stability given ongoing attendance fluctuations due to COVID

### Family Child Care Home Providers

- ► Infant/Toddler Adjustment Automatically receive I/T adjustment in base funding amount to acknowledge their important role in serving infants & toddlers
- ► Staff Compensation Staff wages and compensation automatically included in the funding formula
- Licensed Capacity Family child care home capacity will be calculated including the school age capacity.





#### THE EQUITY BONUSES

GOAL: Distribute federal stimulus & stabilization funding in an equitable way, with a focus on communities disproportionately impacted by COVID-19.

#### **APPROACH**

- Provide additional funds to programs operating in under resourced communities who have had lower enrollments and taken on additional costs to meet the needs of their children and families
- These programs will receive an equity bonus on top of their base funding amount
- The bonus has 2 possible levels, determined by a program's **Social Vulnerability Index (SVI)** score\*

#### WHAT IS SVI?

- Developed by the CDC to help local officials identify communities that may need support before, during, or after disaster
- Scores are assigned at the census tract level (based on a program's location) and take into account 15 variables
- ➤ SVI scores range from 0 to 1 (1 for the most under resourced areas) and are scaled relative to other census tracts in CT

#### **WHY SVI?**

- Programs located in areas with a high SVI are likely to serve children and families with additional systemic barriers to success
- SVI is highly correlated with the % non-white population within a census tract, supporting racial equity goals
- SVI is used by other state agencies and enables OEC to get funds out quickly





#### WHAT IS SVI?

#### **SVI = Social Vulnerability Index**

Developed by the CDC to help local officials identify communities that may need support before, during, or after disasters.

SVI scores are from 0 to 1 and are either 1) relative within a single state or 2) relative to all **census tracts** nationwide.

Takes into account 15 variables at the census tract level.

	Below Poverty
Socioeconomic Status	Unemployed
	Income
	No High School Diploma
Household Composition & Disability	Aged 65 or Older
	Aged 17 or Younger
	Older than Age 5 with a Disability
	Single-Parent Households
Minority Status & Language	Minority
	Speaks English "Less than Well"
Housing Type & Transportation	Multi-Unit Structures
	Mobile Homes
	Crowding
	No Vehicle
	Group Quarters





#### **ECE STAFF COMPENSATION**

#### Why?

It is important that a portion of this funding go directly to staff working in child care settings

#### **HOW THE FUNDING WORKS**

- ▶ 25% of the total funding for **center-based & group home (DCCC, DCGH and DCEX)** providers is contingent on their agreeing to allocate this portion of funding for increasing staff compensation.
- Providers will select on the application whether they are willing to spend 25% of their funding to increase staff compensation.
- If a provider "opts in" to the staff compensation, the program will receive 100% of their total funding.
- If a provider does not "opt in" to the staff compensation, the program will receive 75% of their total funding.





#### **EXAMPLE: FAMILY CHILD CARE HOME**

- Licensed family child care home
- Stayed open through the pandemic (never closed)
- > Full-Time
- Capacity of 9 children, including the 3 school age children.

Base Amount: Infant/Toddler Bonus	
Capacity	9
Total Base Amount (I/T bonus 0.25)	<b>\$7,200</b> (640*1.25*9)
Bonuses: C4K = 0.15 Peak Pandemic = 0.05 Level 1 Equity Bonus = 0.25	\$1,080 + \$360 + \$1,800
Total Bonus Amount	\$3,240
Staff Compensation	Automatically Included
Total Funding – Base + Sum of Bonus	\$10,440





#### **EXAMPLE: FAMILY CHILD CARE HOME**

- Licensed family child care home
- Accredited
- Stayed open through pandemic
- > Full-time
- 9 children enrolled, including the 3 school age children.

Base Amount: Infant/Toddler Bonus	
Capacity	9
Total Base Amount (I/T)	\$7,200
Bonuses: Accreditation = 0.2 C4K = 0.15 Peak Pandemic = 0.05 Level 1 Equity Bonus = 0.25	\$1,440 + \$1,080 + \$360 + \$1,800
Total Bonus Amount	\$11,880
Staff Compensation	Automatically Included
Total Funding	\$11,880





#### **EXAMPLE: CENTER-BASED**

- Licensed child care center
- Open 10/12-10/16/20
- Full-Time
- Endorsed for infant/toddler care
- Capacity of 136 children.

Base Amount: Setting Type Adj. = 0.2 Infant/Toddler Bonus = 0.25	
Capacity	136
Total Base Amount	\$130,560
Bonuses: C4K = 0.15 Peak Pandemic = 0.05	\$19,584.00 + \$6,528
Total Bonus Amount	\$26,112
Eligible Funding Amount:	\$156,672
Staff Compensation Opt In	Approx. \$39,168
Total Funding	\$156,672





#### **EXAMPLE: CENTER-BASED**

- Licensed child care center
- Accredited
- Not open 10/12-10/16, 2020
- Part-Time
- Not endorsed for infant/toddler care
- Capacity of 80 children.

Base Amount: Setting Type Adj. = 0.2	
Capacity 80 / 2 to reflect for part-time	40
Total Base Amount	\$21,120
C4K = 0.15	\$4,224 + \$3,168 + \$7,392
Total Bonus Amount	\$14,784
Eligible Funding Amount:	\$35,904
Staff Compensation Opt Out	(\$8,976)
Total Funding	\$26,928





#### **ESTIMATOR TOOL: FAMILY CHILD CARE HOMES**

Child Care Program Stabilization Funding for Licensed Homes This estimate is for licensed home based programs only.		
Calculate the funding you may be eligible for		
What is your total licensed capacity including school age children? $^{\ast}$		
Is your program full time or part time?	O full time - 30 hours or more per week O part time - Less than 30 hours per week	
Was your facility open during the week of Oct 12-16, 2020?	O Yes O No	
Base Funding	\$0	
Bonus Let's see what bonuses you are eligible for		
Check All That Apply	NAFCC Accreditation C4K Benefits Received Peak Pandemic Operation You must be currently accredited with NAFCC Awarded to any program that received C4K benefits for any of the following months: Dec 2019, Dec 2020, or March 2021 For Peak Pandemic Operation eligibility you must have been open 2 out of 3 of the following dates in 2020, March 27, April 20, and May 4. More information on bonuses	
SVI Rating	O Not in SVI Area O Located in SVI 1 area Located in SVI 2 area What Is my. SVI2	
Additional Bonus Amount	90	





#### **ESTIMATOR TOOL: CENTER-BASED**

Child Care Program Stabilization Funding for Centers This estimate is for center based programs only.		
Estimate the funding you may be eligible for		
What is your total licensed capacity*		
Is your program full time or part time?	O Full time - 30 hours or more per week Part time - Less than 30 hours per week	
Was your facility open during the week of Oct 12-16, 2020	O Yes O No	
Does your program serve infants/toddlers?	O Yes O No	
Base Funding	\$0	
Bonus Let's see what bonuses you are eligible for		
Check All That Apply	Accreditation (Head Start, NAEYC) C4K Benefits Received Peak Pandemic Operation Awarded to any program that received C4K benefits for any of the following months: Dec 2019, Dec 2020, or March 2021 For Peak Pandemic eligibility you must have been open 2 out of 3 of the following dates in 2020, March 27, April 20, and May 4.  More information on bonuses	
SVI Rating	O Not in SVI Area Located in SVI 1 area Located in SVI 2 area What is my SVI2	
Additional Bonus Amount		







# **NEXT STEPS**





#### **HOW TO APPLY**



#### **Application**

- Complete a simple, straightforward application
- Providers will need to attest to:
  - ▶ Hours of Operation (if open 30 hours + / week with at least 50% of your classrooms open 30 hours per week)
  - Whether providers are planning to re-open within 30 days of the application date
  - Opt-in to staff compensation (centerbased and group homes only)

#### **Next Steps**

- ▶ Be on the lookout for an e-mail from 211 Child Care, using the email address <u>childcarefunding@ctunitedway.org</u> inviting your program to apply.
- Complete and submit your application by June 30, 2021.







Percentage of Programs with Supplier IDs (as of 4/27/21)		
Center-Based (DCCC)	84%	
Family Child Care (DCFH)	71%	
Group Homes (DCGH)	79%	
License Exempt (DCEX)	34%	

### Next Steps to Obtain a Supplier ID

1. call *211 Child Care* at 1-800-505-1000 or email

childcarefunding@ctunitedway.org

- 2. Be sure to include your license number or licensed-exempt number to expedite assistance.
- 3. You will need an IRS W-9 form to establish your State Supplier ID.

If you do not have a supplier ID, your process to receive funds will take longer





#### What We Do

# Provide no-cost business support to Connecticut's child care providers



#### EDUCATE

TRAINING,
ADVISING AND
MENTORING TO
GUIDE ASPIRING,
EMERGING AND
ESTABLISHED
ENTRPRENEURS



#### INVEST

GRANTS AND
TECHNICAL
ASSISTANCE TO
ASPIRING AND
ESTABLISHED
ENTREPRENEURS
THROUGH THE



#### CULTIVATE

NETWORKING
AMONG
ENTREPRENEURS TO
RAISE VISIBILITY
AND OPPORTUNITIES
FOR THEIR
BUSINESSES



#### ADVOCATE

FORUMS AND
OPPORTUNITIES
TO VOICE THE
NEEDS AND
IMPACT OF
WOMEN-OWNED
BUSINESSES

Delivering Impact across the State Fund

6,500 dausinesses | 8,750 jobs | \$19 million capital accessed



#### **No Cost Business Assistance**

# Learn with WBDC through group training and 1:1 counseling

All delivered virtually at no cost to you

#### Learn how to:

- Obtain Supplier ID for payment
- Determine estimated grant amount
- Identify best use of funds for your program
- Methods for tracking expenses and avoid double-dipping
- Estimate tax burden and strategies to offset taxable income
- Develop equitable bonus and/or sustainable staff compensation
   & benefits plan

#### **Supporting Your Business Journey**

- Providing a holistic approach to business strategy with confidential individualized support
- Business Advisors available for 1:1 guidance
- English and Spanish speakers available

Call or Email Us for Help Contáctenos para obtener ayuda

Eloisa Melendez • (203) 751-9550 x113 childcarebusiness@ctwbdc.org

Visit Us at <a href="https://ctwbdc.org/childcare-business">https://ctwbdc.org/childcare-business</a>



# **THANK YOU**



