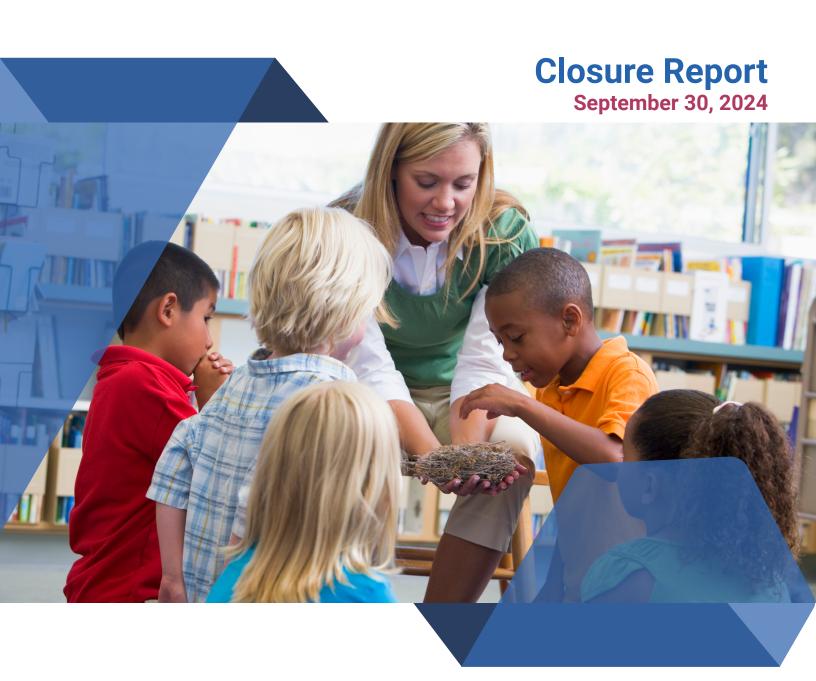
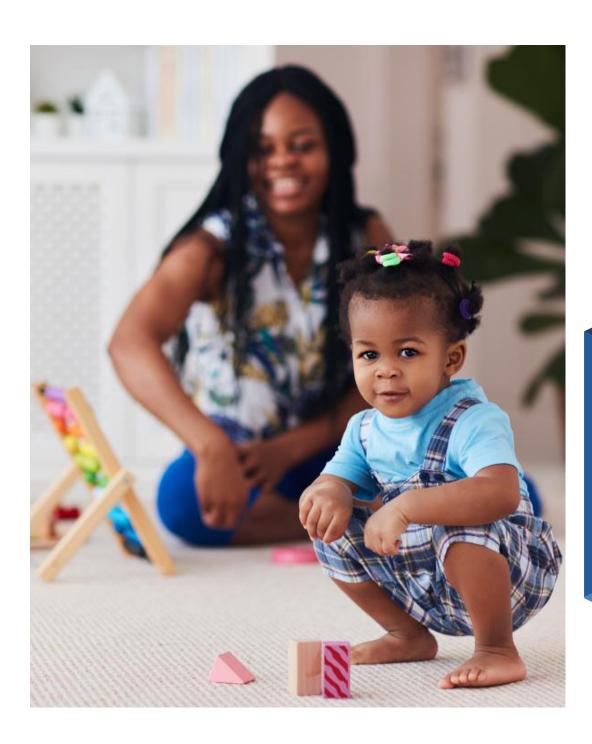
Early Care and Education Programs Funded by DCF's ARPA CCDBG Awards







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Introduction and Strategic Framework

Introduction

Since spring 2020, the Evers Administration and the Wisconsin legislature have invested over \$950 million in federal relief funding to support early care and education. This includes:

- Wisconsin's Child Care Development Block Grant (CCDBG)
 - o Coronavirus Aid, Relief, and Economic Security (CARES) Act
 - o Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)
 - American Rescue Plan Act (ARPA)
- ARPA Child Care Stabilization Funding
- Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and CARES Act funding provided directly by Governor Evers

This report documents the purpose and outcomes of each early care and education program funded by ARPA funds, which expired on September 30, 2024.

Strategic Framework

The Department of Children and Families (DCF) uses the framework of supporting access, affordability, quality, and the workforce to evaluate and transform early care and education in Wisconsin.

Each program in this report supported this framework and was developed in response to needs and opportunities identified by stakeholders.

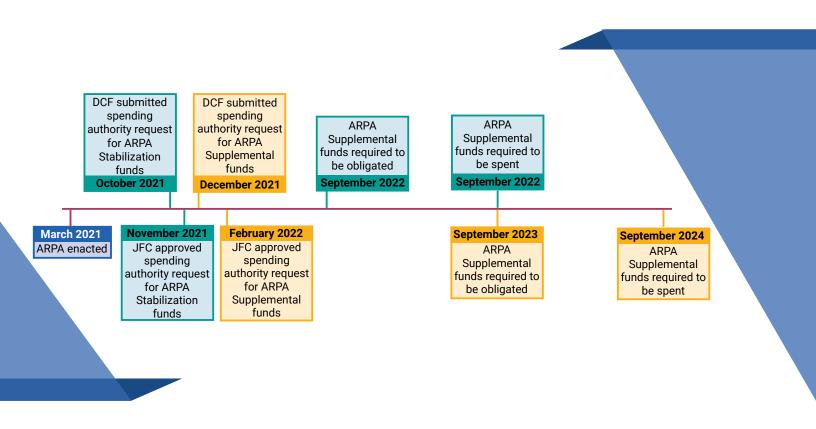
American Rescue Plan Act Funding Procedural History

Procedural History

In March 2021, the federal government enacted the American Rescue Plan Act (ARPA) of 2021. ARPA provided \$23.9 billion under CCDBG to stabilize the child care sector during and after the COVID-19 public health emergency. Wisconsin used \$357 million of this funding for Child Care Stabilization Grants and \$223.2 million for CCDBG Supplemental Discretionary Funds. The ARPA Stabilization Grant was required to be obligated by September 30, 2022. ARPA CCDBG Supplemental Discretionary Funds were required to be obligated by September 30, 2023.

The Joint Committee on Finance (JFC) approved two requests for spending authority related to DCF's ARPA funding for child care. Following a review process, the s.16.54 request submitted on October 13, 2021, regarding the Child Care Stabilization Grant funding was approved by JFC on November 2, 2021. Following the submission of the s.16.54 request regarding ARPA Supplemental Discretionary CCDBG funds on December 3, 2021 (see <u>Legislative Fiscal Bureau paper on the request</u>), JFC passed a <u>motion approving a modified version of the request</u> during a Section 13.10 Meeting held on February 9, 2022.

All ARPA-funded programs approved by JFC, their original budget, and their final budgets can be found below. JFC approved DCF to re-allocate underspent funds toward the Child Care Counts program as of the federal obligation deadline of September 30, 2023. All re-allocations are shown in the final budgets.



Outline of Programs and Approved Budget by Fund Source

Funding Source	Program Title	Original Budget	Final Budget
ARPA Stabilization Grant \$357 million	Child Care Counts: Stabilization Payment Program	\$351,650,000	\$354,143,332
	Administrative Costs	\$5,355,000	\$2,861,668
ARPA CCDBG Supplemental Discretionary Funds \$357 million	Child Care Counts: Stabilization Payment Program	\$108,898,874	\$126,437,876
	Child Care Counts: Payment Program C: Promoting Inclusive Spaces	\$3,500,000	\$3,453,175
	REWARD Wisconsin	\$23,850,000	\$22,964,535
	T.E.A.C.H. Early Childhood® Wisconsin	\$6,780,000	\$6,528,924
	WEESSN	\$8,400,000	\$8,172,548
	Educator Assistance Program (EAP)	\$906,760	\$900,000
	Provider Assistance for Licensing (PAL)	\$2,500,000	\$2,218,993
	Partner Up! Grants	\$10,000,000	\$10,000,000
	Wisconsin Shares Rate Increase	\$29,200,000	\$18,200,000
	Inclusive Birth to 3 Child Care Pilot	\$15,977,731	\$12,558,773
	Infant and Early Childhood Mental Health Consultation (IECMHC)	\$5,000,000	\$4,370,078
	School-Age Mental Health Supports	\$480,000	\$480,000
	Family Resource Centers	\$4,800,000	\$4,008,458
	Administrative Costs	\$2,918,173	\$2,918,173

The following report details the status of each of the programs funded by ARPA.



ARPA Stabilization



Child Care Counts

Initial Launch of Child Care Counts

DCF ran Child Care Counts: Stabilization Payment Program from November 2021 to January 2024. Child Care Counts distributed over \$479 million to regulated child care providers through monthly payments. In fall 2023, Governor Evers directed an additional \$170 million in Coronavirus State and Local Fiscal Recovery (SLFRF) funds. This allowed Child Care Counts to continue between February 2024 and June 2025.

These critical investments continue to help stabilize Wisconsin's early care and education system and the economy. Child Care Counts helped:

- Child care providers to stay open to offer high-quality child care for Wisconsin families
- Prevent further child care provider price increases
- Kept parents and caregivers in the workforce

Visit DCF's <u>Child Care Counts Payment Dashboard</u> to see payments broken down by funding program, by county, and by provider.

Child Care Counts: COVID-19 Stabilization Payment Program

Through the ARPA-funded <u>Child Care Counts: COVID-19 Stabilization Payment Program</u> launched in November 2021, regulated child care providers were eligible to receive monthly payments through January 2024. See program <u>Terms and Conditions on the DCF website</u>.

Payment Program A: Increasing Access to High-Quality Care

- Per-child payments to providers to cover operating expenses and quality improvements based on age, part or full-time enrollment, and participating in Wisconsin Shares.
- Allowable funding uses included operating expenses to remain open or reopen (mortgage, rent/ space costs, utilities, insurance, business-related taxes, and payroll/benefits), materials/supplies for enhancing program environment and curriculum, mental health services for children and employees, and providing relief from copayments and tuition payments for families.

Payment Program B: Funding Workforce Recruitment and Retention

- Per-staff payments to enhance staff compensation and professional development opportunities based on part or full-time employment and YoungStar rating.
- Allowable uses of funding included wages, bonuses, benefits, professional development, training, scholarships, and continuing education.











Children Were Able to Continue Care

Child Care Counts: Payment Program C—Promoting Inclusive Spaces

The Child Care Counts: Payment Program C—Promoting Inclusive Spaces Grant Program offered a one-time payment to eligible providers to support making programs more accessible to children with disabilities.

Program C funds were used by providers to:

- Update facilities to increase physical accessibility for children with disabilities or developmental delays. Examples of allowable uses included adding an accessible ramp, installing handrails, widening doorways, and altering lighting or paint.
- Purchasing supplies and materials to accommodate the needs of children with disabilities or developmental delays to allow them to fully participate in the child care program. Examples of allowable uses included purchasing adaptive toys and materials, purchasing furniture that promotes accessibility, or purchasing assistive technology.

To ease the burden on providers applying, DCF incorporated the Program C application into the existing Child Care Counts application. A one-time application for Program C funding opened in March 2023, with payments issued in April 2023. Any regulated child care program was eligible to apply.

Overall, Child Care Counts Program C provided \$3,453,175 to nearly 2,500 child care programs. Family child care programs received \$1,000 grants. Group child care programs received \$1,675 grants.







REWARD Wisconsin Stipend Program

<u>REWARD Wisconsin</u> provides stipends to early childhood educators based on education and time in the field. The goal of the stipend program is to increase overall compensation of early childhood educators; reward, retain and encourage professionals who have attained education in their field; reduce turnover; and improve quality of care.

DCF contracted with WECA to significantly expand eligibility for the REWARD program with ARPA funding, allowing the program to financially support a majority of Wisconsin's early childhood educators at higher stipend amounts. There were several eligibility changes, including:

- The wage cap of \$16.50 per hour was eliminated
- Stipend amounts increased by \$500 every 6 months
- Expansion from Level 7 or higher to ensure all 17 levels of the Wisconsin Registry were eligible for stipends

WECA distributed **over 43,000** stipends to **over 16,000** individuals.

\$ \$ \$ \$6.53M ARPA Supplemental

T.E.A.C.H. Early Childhood® Wisconsin

T.E.A.C.H. Early Childhood® Wisconsin offers scholarships to early childhood educators to make credit-based education more affordable, improve teacher compensation, and increase early childhood educator retention. T.E.A.C.H. is a program of the Wisconsin Early Childhood Association (WECA).

DCF contracted with WECA to provide ARPA funding for T.E.A.C.H. This additional funding made qualifying educational pathways almost free for early childhood educators pursuing credit-based education. Beginning with the fall 2022 semester, several T.E.A.C.H. program reimbursements, stipends, and bonuses increased. These changes made T.E.A.C.H an even greater support for assisting ECE professionals with higher education.

Some of the key changes included:

- 90% book reimbursement
- Release time reimbursed at \$15.00/hour (15 hours per semester)
- \$100 travel stipend each semester
- Bonuses increased by \$100
- Full payment of Wisconsin Registry commission fee
- One-time technology stipend
- One-time stipend to each sponsoring center and family child care program

This funding allowed WECA to give scholarships to **1,421** recipients from **555** group centers and 126 family child care programs.





Wisconsin Early Education Shared Services Network

DCF contracted with <u>WECA</u> to support the development and expansion of the <u>Wisconsin Early Education Shared Services Network</u> (WEESSN). WEESSN offers free bilingual, virtual access to business and financial resources for family child care and group center programs. Child care programs can save time and money by accessing these shared services.

WEESSN offers a variety of services based on provider needs. ARPA funding allowed all regulated family and group child care providers to join at no cost to themselves.

Through ARPA funding, WEESSN was able to:

- Provide approximately 4,750 hours of individual coaching
- Provide over 470 hours of business coaching
- Supply on-site back-office support to 63 providers
- Present professional development seminars to over 1,400 unique provider attendees from 68 counties
- Provide staffing assistance to over 60 group and family child care programs

Educator Assistance Program

ARPA funding also enabled WEESSN to start an Educator Assistance Program (EAP). Through the EAP, early childhood professionals who worked in WEESSN-enrolled child care programs were eligible to receive additional services. These services also extended to their family/household members.

WEESSN's EAP services were available in both English and Spanish. They offered free and confidential access to:

- Mental health consultation and short-term counseling
- Work/life services such as legal and financial consultation
- Reduced-cost healthcare and prescriptions
- And more!

WEESSN's EAP served **over 440 short-term counseling cases**, and nearly **6,500 technology service interactions**, with a **95% provider satisfaction rate**.





Provider Assistance for Licensing (PAL) Program

The <u>Provider Assistance for Licensing (PAL) program</u> sought to increase the number of licensed child care providers in the Northern and Western licensing regions, as well as rural portions of the Northeastern licensing region. It was administered by the Wisconsin Early Childhood Association (WECA). The PAL program supported prospective or newly licensed child care providers' start-up and sustainability, connected them to available services, and increased public awareness on the benefits of licensed child care.

The PAL program provided comprehensive support to prospective providers. It helped them navigate the licensure process and meet regulatory and educational requirements. Participants were enrolled in cohorts of their peers, met regularly with their business coach, and had the opportunity to participate in an 18-hour business training course.

New child care entrepreneurs received coaching and support to create spending plans. Once the spending plans were finalized, programs were eligible for grant funding to purchase supplies that helped them meet health and safety requirements. The PAL program also provided 98 tool kits with additional health and safety items. The program allocated nearly \$1.2M to grants for these practical supports.

Throughout the program, PAL received **178 applications** and supported **109 providers**. In total, **45 providers successfully obtained licenses**, including **14 in the Northern region**, **2 in the Northeastern region**, and **29 in the Western region**. By the end of the program, **885 new child care slots** had been added.





Coronavirus Response and Relief Supplemental Appropriations







Quality Jobs, Equity, Strategy and Training

Project Growth

The <u>Project Growth</u> initiative brought together businesses, communities, and other early care and education partners to help solve the <u>challenges</u> <u>facing Wisconsin's child care system</u> and bolster the state's economy. The components of Project Growth were funded by CRRSA, ARPA, and DCF's federal <u>Preschool Development Grant Birth to Five (PDG B-5) award</u>. In collaboration with the Department of Workforce Development (DWD), additional State and Local Fiscal Recovery Funds (SLFRF) were included in the 2023-2024 funding cohort.

Partner Up! Grant Program

The Partner Up! grant program supported businesses who purchased regulated child care slots for employees. Businesses had to pay for a portion of their child slots, but DCF funded the rest. Child care providers used the stable funding from these reserved slots to compensate staff, pay expenses, improve the quality of a child care program, and more. DCF contracted with SFTA to administer the Partner Up! grant program, in partnership with Wisconsin's nine regional Child Care Resource & Referral Agencies (CCR&Rs). SFTA administered cohorts 1 and 2 of the program from June 2022 through November 2023.

During the first 2 cohorts, DCF was awarded 220 businesses with contracts that ranged from 3 to 12 months long. To view the list of Partner Up! grant recipients, visit DCF's Project Growth webpage.

Partner Up! Grant Program Expansion

To sustain and expand Partner Up!, DCF launched and administered a third cohort in Summer 2023 with an increased business contribution and a 10% parent contribution for new participants. The third cohort included ARPA and PDG funding to renew contracts with cohort 1 and 2 businesses. In addition, through partnership with DWD, DCF used \$500,000 QUEST and \$5M in SLFRF funding for new businesses to participate. DCF awarded 168 businesses with contracts during cohort 3. Due to limited funding, DCF prioritized grants to communities and businesses in each region of the state, with an emphasis on areas deemed child care deserts.

Additionally, DCF funded <u>Business Child Care Advocates</u> who worked at <u>Child Care Resource and Referral (CCR&R) agencies</u> across the state. Business Child Care Advocates helped connect local communities, businesses, and child care providers, find sustainable solutions, and recommend best practices.

Visit ProjectGrowth.WI.gov to learn more.



Wisconsin Shares Rate Increase

The Wisconsin Shares child care subsidy program, which receives most of its funding from federal sources, supports eligible families by funding a portion of the cost of child care while parents are working or participating in an approved activity.

ARPA funding was allocated to Wisconsin Shares as part of <u>2021 Act</u> <u>58</u>, the 2021-23 biennial budget. The additional funding allowed DCF to increase maximum rates for the Wisconsin Shares child care subsidies. In January 2022, maximum Wisconsin Shares rates were at or above the price of **80% of slots** at that time due to the ARPA funding.





Inclusive Birth to 3 Child Care Pilot

The Inclusive Birth to 3 Child Care Pilot supported the cost of child care for children who participate in the Department of Health Services' (DHS) Birth to 3 Program. This pilot program supported families of children with disabilities and developmental delays by reducing the financial hardship of child care tuition. Additionally, this program connected the Birth to 3 Program and child care providers to ensure supports were available to foster healthy growth, development, and well-being. Lastly, the pilot provided ongoing and steady revenue for the duration of the pilot to child care providers who cared for children with special needs.

The Inclusive Birth to 3 Child Care Pilot began issuing child care authorizations in Crawford, Grant, Green, Iowa, Jefferson, Lafayette, and Rock counties on August 1, 2022. The program expanded statewide on October 1, 2022. Authorizations were issued to children participating in the DHS Birth to 3 Program through June 30, 2023. Participating families received an authorization for 12 months of child care subsidy.

The pilot served **1,049 children** in total. County and tribal agencies attempted to transition families to the traditional Wisconsin Shares program when the pilot ended. Overall, 106 children who participated in the pilot continued with a child care subsidy authorization after the pilot ended.

Infant and Early Childhood Mental Health Consultation

Infant and Early Childhood Mental Health Consultation (IECMHC) is an evidence-based intervention that pairs mental health professionals with early childhood educators and families to support young children's social and emotional needs and address challenging behaviors.

DCF contracted with the <u>Wisconsin Alliance for Infant Mental Health</u> (WI-AIMH) to plan, build, and begin implementation of the <u>Healthy Minds Healthy Children</u> (HMHC) program, which provides IECMHC in the early care and education system.

The program developed a referral process, data management system, and professional development pathway. Additionally, the HMHC team recruited and onboarded **16 mental health consultants**, increasing Wisconsin's capacity to provide infant and early childhood mental health consultation.

The Healthy Minds Healthy Children program was available in the Northeast, Southeastern, Southern, and Western regions of the state. HMHC consultation services were provided in **16 counties**. The program provided consultation services at 34 child care programs that served **over 2,000 children**. Over **450 hours** of professional development training was provided to Wisconsin mental health clinicians and early childhood professionals. The team also distributed **153 Social and Emotional Kits** to early care educators.

Additionally, the department and WI-AIMH collaborated with the Office of Children's Mental Health (OCMH) and the Wisconsin Registry to establish Encouraging Little Minds, an infant and early childhood mental health clinician and consultant directory.







Mental Health Supports for School-Age Children

The <u>Wisconsin Out of School Time Alliance</u> (WOSTA) supports schools and community-based organizations in delivering high-quality out of school time programming to school-age children and youth. WOSTA promotes academic success, individual & social development, and healthy active living.

Through ARPA funding, WOSTA provided school-age child care programs throughout the state with training and technical assistance around topics such as mental health and trauma-informed care.

As part of the ARPA contract, WOSTA provided:

- Several in-person trainings regarding children's mental health
- Two statewide conferences
- A summer institute with tailored content for day camp programs
- Virtual learning events focused on behavioral health and social determinants of health

WOSTA also supported individuals and programs who care for school-age children through technical assistance and regional professional learning collaboratives.

The ARPA programming served over **900 individuals** from **436 unique organizations**. Event participants represented all **72 Wisconsin counties**.

\$ \$ \$ \$ ARPA Supplemental

Family Resource Centers

Family Resource Centers (FRCs) are community-based, flexible, family-focused, and culturally sensitive hubs. They provide access to resources, programs, and targeted services based on the needs and interests of families.

ARPA funding was administered by the <u>Wisconsin Child Abuse and Neglect Prevention Board</u> (CANPB), which provided grants to FRCs. Funding was provided to 24 community-based agencies and three (3) tribes to build partnerships with child care providers. The funded FRCs provided programming and services designed to strengthen families and build family protective factors such as:

- Social and emotional competence of children
- Knowledge of parenting and child development
- Social connections
- Parental resilience
- Concrete supports in times of need

The ARPA funding allowed over **3,000 parents and caregivers** and **342 child care providers** to participate in family support programming. **417** child care, early education, or family resource center professionals attended at least one professional development training course.

