

# Announcing – West Virginia Child Care Stabilization Payments

American Rescue Plan (ARP) Act Child Care Funding

## STABILIZATION PAYMENTS OVERVIEW

As child care providers continue to face financial hardships caused by the ongoing pandemic, requirements of the Centers for Diseases Control and Prevention (CDC), lower than normal enrollment, staffing shortages and day to day budget demands, childcare providers need an influx of funds to continue offering childcare services.

The West Virginia Department of Health and Human Resources (DHHR) will begin releasing monthly stabilization payments, based on child care tier quality, to all qualifying licensed and registered childcare providers.

### **ELIGIBILITY – Who is eligible for the West Virginia Child Care Stabilization Payment?**

Any child care provider in West Virginia who meets the specified conditions and that has a child care license or certificate of registration is eligible. That includes:

- Type 1 Child Care Centers (serving 30 or fewer children)
- Type 2 Child Care Centers (serving 60 or fewer children)
- Type 3 Child Care Centers (serving 61 or more children)
- Family Child Care Home Facilities
- Family Child Care Homes
- Out of School Time Programs

Providers must meet the following conditions to be eligible:

- Possess a valid provisional or regular license or certificate of registration.
- Must provide full-time child care services in West Virginia, defined as a program that is open and
  offering at least eight consecutive hours of care per day, five days per week. Out of School Time
  Programs that operate in West Virginia are exempt from the eight consecutive hour
  requirement.
- Must have at least 25% of the child care program's revenue received from private pay tuition and/or West Virginia's child care subsidy program.
- Have a Provider Services Agreement in good standing.
- Have not committed substantiated misrepresentation or fraud.
- Are current on any signed repayment agreement.

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### Is there any child care provider that may not be eligible?

Providers are not eligible if any of the following apply:

- The provider is a pop-up site.
- The provider transports children to a location out of state to provide care.
- The provider is in violation of any section of the Provider Services Agreement.
- The provider is behind or has defaulted on a repayment agreement.
- The provider has failed to enter into a repayment agreement when necessary.
- Providers who have committed substantiated misrepresentation or fraud.

### PAYMENTS – When will the West Virginia Child Care Stabilization Payments be available?

Beginning October 1, 2021, through September 30, 2023, DHHR will automatically process monthly stabilization payments for all eligible providers. Providers will be able to track these payments through FACTS Plus. Providers who do not currently have FACTS Plus accounts can obtain one here:

https://www.wvfacts.org/factsplusnet/

#### USE OF FUNDS – What can providers use the funding for?

Child care providers may use these funds to cover a range of expenses such as:

- Personnel costs
- Rent or mortgage payments
- Insurance
- Facility maintenance and improvements
- Personal protective equipment (PPE) and COVID-related supplies
- Training and professional development related to health and safety practices
- Goods and services needed to resume providing care
- Mental health supports for children and early educators
- Reimbursement of costs associated with the COVID-19 Pandemic

Please see the West Virginia Child Care Stabilization Payment Policy and Procedure Manual for an indepth view of allowable uses. https://dhhr.wv.gov/bcf/Childcare/Policy/Pages/default.aspx

# AMOUNT OF MONTHLY CHILD CARE STABILIZATION PAYMENTS – How much can my program expect to receive each month?

Depending upon the type of childcare center, out of school time program or family child care provider, monthly payments, beginning October 1, 2021, and ending September 30, 2023, payments will be:

Provider Type	Quality Tier I	Quality Tier II	Quality Tier III
Type 1 Child Care Center (serving 30 or fewer children)	\$5,000	\$10,000	\$22,000
Type 2 Child Care Center (serving 60 or fewer children)	\$9,000	\$15,000	\$24,000
Type 3 Child Care Center (serving 61 or more children)	\$11,000	\$20,000	\$27,000
Family Child Care Home Facility	\$1,500	\$2,400	\$3,200
Family Child Care Home	\$750	\$1,200	\$1,600
Out of School Time Program	\$10,000	N/A	N/A

### **APPLICATION PROCESS – How do I apply for funds?**

The Child Care Stabilization Payment Certification Agreement is posted on DHHR's Division of Early Care and Education website at <a href="https://dhhr.wv.gov/bcf/ece/Pages/default.aspx">https://dhhr.wv.gov/bcf/ece/Pages/default.aspx</a>. Each eligible provider applying for funds is REQUIRED to complete and return the agreement, signed, and dated, via email to <a href="mailto:ECEProviders@WV.gov">ECEProviders@WV.gov</a> by November 15, 2021, to continue to receive stabilization payments. Providers who do not complete and return the Certification Agreement by the due date will not be eligible to receive additional stabilization payments.

### Providers must certify that they will:

- When open and providing services, implement policies in line with guidance and orders from states, territorial, Tribal, and local authorities, and, to the greatest extent possible, implement policies in line with guidance from the Centers for Disease Control and Prevention (CDC); the CDC has posted several fact sheets and guides to help child care providers understand and meet the guidelines, including:
  - Guidance from the Centers for Disease Control and Prevention (CDC) (available at <u>https://www.cdc.gov/coronavirus/2019-ncov/community/schools-childcare/quidance-for-childcare.html</u>).
  - Quick Guide: Help Protect Your Child Care Center From COVID-19, available at https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/schoolschildcare/322883-B COVID-19 ChildcareGuidance CENTER infographic v3.pdf.

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- Quick Guide: Help Protect Your Family Child Care Home from COVID-19, available at <u>https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/schools-childcare/322883-B COVID-19 ChildcareGuidance HOME infographic v7.pdf.</u>
- Child Care Providers Quick Guide to Symptoms of COVID-19 at Child Care, available at <a href="https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/schools-childcare/Childcare-Providers-Quick-Guide-Symptoms-of-COVID-19-at-Child-Care.pdf">https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/schools-childcare/Childcare-Providers-Quick-Guide-Symptoms-of-COVID-19-at-Child-Care.pdf</a>.
- For each employee, pay at least the same amount in weekly wages and maintain the same benefits. This stipulation does not prevent the provider from increasing wages and/or benefits.
- Will not involuntarily furlough employees through the duration of the receipt of Child Care Stabilization Payments.
- To the extent possible, provide relief from copayments and tuition payments for families enrolled
  in the program, and prioritize relief for families struggling to make payments. If a provider is
  unable to provide relief from copayments and tuition payments for all families enrolled in the
  program, they should prioritize doing so for families most in need of relief and target families
  earning below 85 percent of the State Median Income.

### ADDITIONAL REQUIREMENTS - Do I need to do anything else to receive funds?

There are no additional documentation requirements, however, you are asked to keep a file of expenditures in case of future auditing. Financial records, supporting documents, statistical records, and all other records pertinent to the Child Care Stabilization Payments must be retained for a period of three years from the date of submission of the report indicating how the funds were used. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

### TAXES - Is the payment taxable?

Yes, the payment is considered taxable income. DHHR will issue an Internal Revenue Service 1099 form for taxes at the end of the year. Please contact a tax professional with any questions you have regarding how to report this on your taxes.