

## **Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS**

### **What is the Child Care Stabilization Grant Workforce Amount?**

The Child Care Stabilization Grant (CCSG) Workforce Amount is an increase to child care providers' [Child Care Stabilization Grant](#) awards effective July 1, 2022. The Workforce Amount is specifically designed to stabilize, recognize, and prioritize Arizona's early childhood care and education workforce through planned spending related to hiring and employing all child care staff, this includes personnel costs, including payroll and salaries or similar compensation for an employee, employee benefits, premium pay, or costs for employee recruitment and retention.

View more information at [des.az.gov/ccsg](https://des.az.gov/ccsg), including the Workforce Amount Provider Decision Tool.

### **How much is the CCSG Workforce Amount increase?**

Effective July 2022, Child Care providers receiving the CCSG who certify that they will use the Workforce Amount funds to directly support the child care workforce will receive a new total monthly CCSG award in the following amounts:

- DES Non-Certified Relative = \$750/month
- DES Certified Family Child Care (1-4 children) = \$1,500/month
- DHS Certified Group Home (5-10 children) = \$3,000/month
- DHS Licensed (11-59 capacity) = \$11,500/month
- DHS Licensed (60-100 capacity) = \$19,000/month
- DHS Licensed (100+ capacity) = \$25,500/month

The monthly CCSG award for providers who do not submit the certification requirements for the Workforce Amount will remain the same. Please visit [des.az.gov/CCSG](https://des.az.gov/CCSG) for details.

### **Who is eligible for the CCSG Workforce Amount?**

In order to receive the CCSG Workforce Amount, Providers must be currently receiving the Child Care Stabilization Grant.

Eligible CCSG providers include:

- DES Non-Certified Relative Providers
- DES Family Child Care Providers (including in-home providers)
- DHS Licensed Centers
- DHS Certified Group Homes
- Tribal Child Care Providers
- Military Child Care Providers

*Please note: Providers only have until September 30, 2022 to apply for the CCSG.*

### **How do I apply for the CCSG Workforce Amount?**

DHS Licensed Child Care Centers and DHS Certified Group Homes that are currently receiving the CCSG must apply for the CCSG Workforce Amount by submitting the [CCSG Workforce Amount form](#). **Please do not resubmit the CCSG application.**

## **Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS**

Providers will need to attest on the [CCSG Workforce Amount form](#) that they will use the funds to increase employee's salary, wages, or benefits.

*Please note: Providers only have until September 30, 2022 to apply for the CCSG and submit the CCSG Workforce Amount form.*

### **Do DHS Certified Group Homes need to apply for the CCSG Workforce Amount?**

Yes. DHS Certified Group Home providers with no other employees must attest via the [CCSG Workforce Amount form](#) that they will use the Workforce Amount on the approved CCSG expense categories found on the [CCSG website](#), which may include maintaining or increasing their own wages and benefits.

### **Do DES Certified Family Child Care Providers and Non-Certified Relative Providers (NCRP) need to apply for the CCSG Workforce Amount?**

No. Effective July 2022, DES Certified Family Child Care Providers and NCRPs will receive an automatic flat increase to their current Child Care Stabilization Grant award for the approved CCSG expense categories found on the [CCSG website](#).

### **What can I spend the Workforce Amount on?**

The increase you receive to your CCSG for the Workforce Amount must be used to increase employee wages or benefits above and beyond the time period since receiving the Child Care Stabilization Grant.

For example, if a provider's current CCSG award = \$10,000, and the new total award with the additional Workforce Amount = \$25,500, the Provider must show \$15,500 on spending related to hiring and employing child care staff in the provider's workforce.

Allowable costs include the CCSG categories for Personnel related spending and increases:

- Payroll/Wage supplements
- Bonuses
- Health, dental, and vision insurance
- Retirement contributions
- Paid time off including paid sick or family leave
- Free/reduced cost child care benefit for staff
- Paid time off for professional development and training
- Reimbursements for tuition costs for certificate or degree program
- Reimbursement/stipends for teacher out-of-pocket costs for classroom supplies

The [CCSG Workforce Support Provider Decision Tool](#) provides several options for supporting staff using CCSG Workforce Amount funds. For more information on how to best support your employees with this funding, providers are encouraged to reach out to a business coach through the Southwest Human Development Early Childhood Business Management Program at [ECBMP@swhd.org](mailto:ECBMP@swhd.org).

## **Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS**

### **Can the amount be used for current wages as long as there is an increase in wages?**

Yes. You will want to ensure that you are able to show that there has been an increase above and beyond employee wages or benefits since receiving the Child Care Stabilization Grant through payroll records or other supporting documents.

### **How can I improve employee compensation and/or benefits with these funds?**

Providers have many options for using their funds on compensation for staff, including temporary pay increases, bonuses, and changing employee benefits packages. For example, providers could reward employees with a bonus during times of greater need such as working during evenings or nontraditional work hours, provide hazard pay for employees due to a public health emergency, or offer retention bonuses for staff members who remain employed.

Providers may also wish to consider their employee benefits package and whether to provide their staff with additional employee benefits, including health insurance or assistance with premiums, retirement contributions, free or reduced-cost child care for staff, paid time off including sick or family leave, professional development assistance and/or tuition reimbursements, or teacher classroom supply stipends or reimbursements.

To learn more about how to support your staff with the CCSG, view the [CCSG Workforce Support Provider Decision Tool](#).

For more information on how to best support your employees with this funding, providers are encouraged to reach out to a business coach through the Southwest Human Development Early Childhood Business Management Program at [ECBMP@swhd.org](mailto:ECBMP@swhd.org).

### **What will providers need to report for the Workforce Amount?**

Additional questions related to the Workforce Amount will be added to the Monthly reports. Please visit the Monthly Reporting Portal at [des.az.gov/ccsg](https://des.az.gov/ccsg) and the [CCSG Reporting Guide](#) for more details.

In order to receive the monthly Child Care Stabilization Grant (CCSG) award, all providers must submit a monthly report detailing how funds have been spent. Each month's report is due by the last day of the month for the previous month (example: The August 2022 CCSG report must be submitted by September 30, 2022). If you do not submit your monthly report by that date, you will not receive the next month's grant payment.

### **Will providers be audited for receiving the CCSG funds?**

Yes. Providers receiving the CCSG will be selected for a random audit prior to September 30, 2023. Providers need to ensure thorough records of how the funding is spent, including receipts of all purchases or payments.

## **Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS**

### **When will I receive my CCSG Workforce Amount award?**

The CCSG Workforce Amount began with the July 2022 grant payment for providers who completed their attestation via the [CCSG Workforce Amount form](#) by June 30, 2022. Future Workforce Amount awards will begin the month following application approval. *Please note: Providers only have until September 30, 2022 to apply for the CCSG and submit the CCSG Workforce Amount form.*

### **Can the Workforce Amount be used for prior costs and expenses?**

No. The CCSG Workforce Amount is intended to increase employees' salary or wages between July 2022 and September 2023, which may include benefits or bonuses, as well as incentives to attract employees. The increase must go above and beyond current wages or benefits since receiving the Child Care Stabilization Grant.

### **Can a Center owner use the Workforce Amount to pay themselves?**

Licensed center owners may only provide funding to themselves if they are already on payroll as an employee of the facility where child care services are provided.

### **Can funding be used to compensate volunteers?**

The Workforce Amount grant award is for employees who provide child care services. Some volunteers are providing direct services through an education or internship program. If a Provider chooses to compensate or incentivize volunteers for purposes of workforce recruitment or retention, they will need to provide details of the volunteer's service capacity in the monthly report.

### **Can a Provider with shared administrative costs, such as mental health contractors or program administrators that provide direct support to the program's workforce, use the Workforce Amount for these purposes?**

Yes. You will need clear documentation of what grant funding was received from all sites and you will need to ensure you can report spending for each site. Example: if a contractor/administrator supports multiple sites, you may want to add up the sites' grant amounts and divide the costs equally by your different sites for reporting purposes.

### **I already pay for health care benefits and match 401k. Can I use these funds to pay for the health and 401k match that I already pay for?**

CCSG Workforce Amount recipients will need to show an increase in their benefits since receiving the CCSG, in order to verify that an increase has been made. Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including proof of payroll increases, benefits, or other incentives.

### **I'm already using my CCSG funds on workforce wage increases. Can I still receive the workforce amount?**

Yes. To be eligible for additional Workforce Amount funds, DHS Licensed Child Care Centers and DHS Certified Group Homes with employees who are currently receiving the CCSG must certify that they will use the CCSG for increasing wages, employee

## **Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS**

benefits, or other personnel costs, as outlined in the CCSG [Workforce Amount Provider Decision Tool](#). Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including receipts of all purchases or payments.

### **I already gave my workforce an increase, do I have to increase their wages more?**

Providers who have already implemented payroll increases can demonstrate this by comparing payroll data from prior to implementation of the CCSG to the current reporting date. Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including receipts of all purchases or payments.

### **Can the Workforce Amount be used for base compensation AND increases?**

Yes. The Workforce Amount is for personnel costs, including payroll and salaries or similar compensation for an employee, employee benefits, premium pay, or costs for employee recruitment and retention. CCSG Workforce Amount recipients will need to show an increase above and beyond employee wages or benefits since receiving the Child Care Stabilization Grant. Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including proof of payroll increases, benefits, or other incentives.

### **Does the full amount of the Workforce funding need to be spent on increased wages, benefits, and incentives or do we just need to show an increase and spend it on those areas?**

Yes. The increase you receive to your CCSG for the Workforce Amount must be used to increase employee wages or benefits above and beyond the time period since receiving the Child Care Stabilization Grant. CCSG Workforce Amount recipients will need to demonstrate that their Workforce Amount has been utilized to directly support personnel costs, including payroll and salaries or similar compensation for an employee, employee benefits, premium pay, or costs for employee recruitment and retention. Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including proof of payroll increases, benefits, or other incentives.

### **Can funding be used to pay payroll expenses?**

Yes. Providers will be selected for random audits and will need to ensure thorough records of how the funding is spent, including proof of payroll increases, benefits, or other incentives.

### **Do Providers need to spend the full amount each month or just the total by September 30, 2023?**

No. While Providers can “save” the monthly grant award, the increase you receive to your CCSG for the Workforce Amount must be used to increase employee wages or benefits above and beyond the time period since receiving the Child Care Stabilization Grant. At the closure of the CCSG in September 2023, providers will need to show that

## Arizona Child Care Stabilization Grant: Workforce Amount FREQUENTLY ASKED QUESTIONS

their CCSG Workforce Amount was spent on Personnel related spending and increases.

### **Can we use the funds for teachers to purchase classroom supplies and materials?**

Yes. You may have staff that pay out-of-pocket for supplies purchased for students to use or that benefit the classroom overall. If this happens, you could offer your staff a one-time stipend to cover the costs of classroom supplies or to purchase new supplies that will make the classroom a more inviting and exciting place for both teachers and children. Staff seeking reimbursement should produce an original receipt for their purchases to receive reimbursement. Providers are encouraged to utilize the [AZToolkit](#) for shared resources and other discounts.

### **If we are unable to use the full amount, would we just repay the unused portion?**

Any amount unused by September 30, 2023 will need to be paid back to DES. If you are experiencing challenges with spending the grant funds, please reach out to [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov) for resources and support to help address any barriers.

### **If a program closes permanently, will the program need to return the grant funds?**

Any program that has closed permanently is not eligible to receive continued grant funding. Programs that permanently close are expected to notify the DES Division of Child Care at [childcaregrants@azdes.gov](mailto:childcaregrants@azdes.gov) prior to their date of closure, for determination whether any funds need to be returned. Funds received prior to the date of closure may be used for approved expenses. Any funds received after the date of permanent closure will need to be returned to the DES Division of Child Care. Note: A final report of all funds received and spent will need to be submitted no later than 30 days after the closure.

### **Where can I go for support and questions?**

For questions related to the CCSG and Workforce Amount, visit the website: [des.az.gov/CCSG](https://des.az.gov/CCSG). Please contact the Child Care Grant mailbox at [ChildCareGrants@azdes.gov](mailto:ChildCareGrants@azdes.gov) with any questions about the application, payment process, and monthly reporting.

For more information on how to best utilize this funding, providers are encouraged to reach out to a business coach through the Southwest Human Development Early Childhood Business Management Program at [ECBMP@swhd.org](mailto:ECBMP@swhd.org).

Additional technical assistance and support is available through Arizona Association for the Education of Young Children (AzAEYC): [azaeyc.org/ccsg/](https://azaeyc.org/ccsg/) or [info@azaeyc.org](mailto:info@azaeyc.org).

For more resources and information, visit: [des.az.gov/CCSG](https://des.az.gov/CCSG)