

ARPA PHASE 1: OPERATIONS ONLY

INTRODUCTION TO ARPA

The American Rescue Plan Act (ARPA), Early Education and Child Care Stabilization Fund (The Fund) will provide \$20,057,502 to the CNMI CCDF to provide subgrants directly to eligible child care providers. These funds will be awarded based on the average of October, November, December 2019 child care enrollment. The grants will cover eligible expenses resulting from the COVID-19 pandemic.

In accordance with Section 2202(d)(2)(C), eligible child care may receive funds “based on the provider’s stated current operating expenses, including costs associated with providing or preparing to provide child care services during the COVID–19 public health emergency, and to the extent practicable, cover sufficient operating expenses to ensure continuous operations.”

The goal of the program is to help child care providers stay in business and make child care more affordable for families. Grants do not have to be repaid unless the funds are used to pay for non-eligible expenses. The CNMI Child Care and Development Fund (CCDF) is leading the administration of this grant and is working in close collaboration with its partners to make it accessible to child care providers.

Eligible ARPA expenses include:

1. Personnel costs, benefits, and recruitment and retention.
2. Rent or mortgage payments, utilities, facilities maintenance and improvements, or insurance.
3. PPE (Personal Protective Equipment), cleaning and sanitation supplies and services, or training and professional development related to health and safety practices.
4. Purchases of or updates to equipment and supplies to respond to COVID-19.
5. Goods and services necessary to maintain or resume childcare services.
6. Mental health services.
7. Payment for past expenses.

Subgrants for eligible expenses will be available over three (3) funding roll-out phases – Phase 1: Operations Only; Phase 2: Quality; Phase 3: Premium Pay.

Providers may apply for Phase 1 subgrants beginning July 1, 2021.

ELIGIBLE EXPENSES FOR PHASE 1: OPERATIONS

Past AND Current Monthly Expenses

- Payroll
- Benefits
- Other personnel costs
- Rent or mortgage
- Facility expenses (utilities, insurance, maintenance)
- Personal protective equipment (PPE), including cleaning and sanitation supplies and services
- Training expenses for staff on health and safety practices
- Equipment and supplies in response to COVID -19
- Goods and services to maintain or resume services

Average **past** monthly expenses from January 31, 2020 to May 31, 2021.

Average **current** monthly expenses for June 1 to December 31, 2021.

Expenses that are applied to both the child care services and school portion should be prorated/ cost-allocated.

ADDITIONAL DETAILS FOR PHASE 1 (June 1 – December 31, 2021)

Eligibility: Applicants must

- 1) Be licensed by the CNMI Child Care Licensing Program (CCLP) and/ or certified by CNMI Child Care and Development Fund (CCDF), as of March 11, 2021, and:
 - (i) Be open and available to provide child care services; or
 - (ii) Be closed due to public health, financial hardship, or other reasons relating to the COVID–19 public health emergency.
- 2) Have incurred costs and/or can project costs between January 31, 2020, and December 31, 2021, necessary to provide child care.

Timeline: Eligible providers may apply on a rolling basis July 1 -31, 2021 Each site (physical location with a child care license number) is considered a different program. Each license number requires an application. Each licensed program may apply for one grant only during Phase 1. Funds must be spent by December 31, 2021.

Documentation (receipts, invoices, budget, etc.) is required to justify all incurred and projected expenses submitted as part of the grant application.

- Verify monthly expenses. If a provider is not able to verify an expense, they will be required to reimburse CCDF.
- Implement health and safety policies in line with guidance and orders from CCLP, and, to the greatest extent possible, implement policies in line with CDC guidance.
- Pay not less than full compensation, including benefits, for each employee, and will not take action that reduces weekly compensation.

Provider can claim expenses as far back as January 31, 2021 but cannot *double dip* if they already claimed CNMI PSS (\$600/ child), PUA, PPP, CARES funding for the same expenses. For March, April, May, and June 2020, if providers were paying their employees 50% of regular salary, they can reimburse them for those lost wages.

If a provider is applying for a grant to make an improvement, the provider must be able to estimate the cost and, then, provide actual documentation.

If the eligible provider was shut down during the pandemic, when applying for the grant, must provide an estimate of the costs to reopen.

Incomplete or duplicate applications will not be considered for funding until all information is provided. A complete application does not guarantee funding.

Verification to be made within the first 6 months after initial payment, but up to 3 years after the last subgrant payment

APPLICATION SUBMISSION

Submit application and initial supporting documents on/ before July 31, 2021.

PAST EXPENSES

Required documents: October, November, December 2019 income statements; 2020 Corporate Tax Return (Form 1120); supporting documents for PUA & PSS grant

Examples of additional documents: Income statements from QuickBooks (must have line items that detail the expenses being claimed), receipts, pay stubs, invoices.

CURRENT EXPENSES

Required documents: Receipts, invoices, pay stubs

PROOF OF CRIMINAL BACKGROUND CHECK – Receipt (from provider) and Consent for Release of Information (access through CCLP)

CCDF reserves the right to request additional documentation related to claimed expenses (e.g. financial statements, receipts).

Programs will not be allowed to apply for Phase 2 or other CCDF subgrants if they fail to submit all requested documents **and** pass all verification procedures. Programs must pass verification/ and or an audit of Phase 1 spending to apply for Phase 2 or any succeeding CCDF subgrants.

TIMELINE FOR PHASES

Phase 1: Operations

40% of \$20mil --> \$8,023,000

June 30 – Meeting with providers; orientation.

July 1 – 31 – Application period: Rolling submission. Subject to availability of funds.

July 31 – Last day for submission of application and supporting documents.

Phase 2: Quality

50% of \$20mil --> \$10,028,751

Dates subject to change

September 30 – Meeting with providers; orientation.

October 1 – 31 – Application period: Rolling submission. Subject to availability of funds.

October 29 – Last day for submission of application and supporting documents in person.

October 31 – Last day for submission of application and supporting documents via email.

Phase 3: Premium Pay

10% of \$20mil --> \$2,005,750

Dates to be determined

CHECKLIST

APPLICATION FORM

PAST EXPENSES DOCUMENTATION

- October, November, December 2019 income statements;
- 2020 Corporate Tax Return (Form 1120);
- Supporting documents for PUA & PSS grant
- Additional documents: _____

CURRENT EXPENSES DOCUMENTATION

- Receipts;
- Invoices;
- Pay stubs;
- Scope of work/ services (if applicable)
- Quotations

PROOF OF CRIMINAL BACKGROUND CHECK

- Receipt (from provider) and
- Consent for Release of Information (access through CCLP)

TO DO

- Complete application in full
- Verify completeness of supporting documents
- Submit to Ms. Nadia Camacho, Grant Manager
 - Email or
 - Attach 2 separate PDF files, by 3:00 p.m., July 31, 2021:
 - ARPA Grant Application only;
 - Attachments/supporting documents related to your grant application
 - By E-mail
 - nadiacnmi@gmail.com (cc: Mr. Eric Evangelista at erice.dice@gmail.com)
 - In person
 - Place ARPA Grant Application Form on top of attachments.
 - Submit no later than 3:00 p.m, July 30, 2021.
 - In-Person to Evergreen Learning in Chalan Kanoa