



**New Hampshire’s Child Care Strengthening Plan
Use of ARPA (American Rescue Plan Act) Discretionary Funds
Status Report: June 28, 2023¹**

This update provides a full status of the Child Care ARPA-Discretionary plans since the report issued March 13, 2023. New Hampshire’s plan to utilize \$29,736,767 in ARPA Discretionary Funds (ARPA-D) addresses four areas of critical need within the federal Administration for Children and Families (ACF). The areas were identified by a broad array of stakeholders over a six-month period (see: [NH-DHHS ARPA-Discretionary-Funds Summary-Report October-2021.pdf \(nh-connections.org\)](#)):

- Increase equitable access to affordable, quality child care for families;
- Strengthen the child care workforce now and for the future by investing in evidence-based and promising practices and strategies designed for these purposes;
- Strengthen program quality via continuous quality improvement (CQI); and
- Strengthen the overall child care system (state and local infrastructure building; program strengthening).

Process to Identify Practices, Approaches and Strategies to Address Priorities

To address each priority area, DHHS explored evidence-based and promising practices, approaches and strategies by reviewing national and state research and reports, participating in ACF Office of Child Care and Office of Head Start webinars and technical assistance opportunities, considering NH stakeholders’ recommendations, and identifying opportunities to leverage existing resources and efforts. Lastly, DHHS generated preliminary cost estimates for each priority area to create an initial budget, which were refined over time. Of New Hampshire’s \$29,736,767 ARPA Discretionary Funds allocation, 95% (\$28,249,929) will support projects and initiatives and 5% (\$1,486,838) is allocated for allowable administrative costs.

Encumbrances/Targeted Costs and Expenditures to Date

ARPA-D funds must be encumbered by September 30, 2023 and expended by September 30, 2024. As of June 28, 2023, DHHS has encumbered and expended \$20,618,470 as Table 1 shows.

Table 1. ARPA D funds expended or encumbered as of June 28, 2023.	
Child Care Business Improvement Project	\$3,543,670
Child Care Workforce Recruitment & Retention	\$1,644,077
Data/Information systems development and operations	\$4,102,146
Early Childhood System Governance	\$100,000

Family Child Care Project	\$850,000
Marketing & Outreach	\$500,000
Out-of-School Time Technical Assistance	\$760,000
Regional Leads	\$400,000
“Absent Due to COVID” policy (through 6-28-2023)	\$1,732,796
GSQ Provider Incentives	\$1,473,863
Provider Quality Materials	\$105,679
Provider Educational Services	\$126,442
Audit set-aside	\$29,797
Grants for Provider/Program Business Improvement Project Grants	\$5,250,000
Total Expended or Encumbered	\$20,618,470

Estimated Expenditures for Procurements and Emerging Needs/Administrative Costs

Table 2 presents the estimated amount of ARPA-D Funds to be expended for procurements (\$6,723,000) and for emerging needs and administrative costs other than audit (\$2,395,297).

Table 2.	
Estimated Expenditures for procurements and emerging needs/administrative costs.	
<u>Upcoming Procurements</u>	
GSQ Quality Capacity Building Project	\$4,423,000
Child Care Business & Employers Partnership	\$1,500,000
Data/Information System	\$800,000
<u>Emerging Needs & Costs & Administrative Costs (other than audit)</u>	\$2,395,297
Total Estimated Funds to Be Expended	\$ 9,118,297

Brief Description of Projects

Below is a high-level summary of ARPA-D procurements and grants, along with a process status with Governor and Council.

Child Care Workforce Recruiting and Retention Project focuses on the recruitment and retention of the child care workforce in New Hampshire by providing a study and pilot program for effective strategies that attract, retain and increase the quality of the early childhood and out-of-school time workforce; provide a variety of self-help/wellness/mental health supports for staff; build workforce capacity through career pathways, and fund an effective multi-channel marketing program with a link to employers

Contract approved by Governor and Council on June 28, 2023

Child Care Business Improvement Project will support child care providers in center-based programs to assess their business’ “health” by reviewing the facility condition/use, operating expenses and finances, rent/mortgage arrangements, human resources, marketing, legal and tax, strategic planning and operational

areas. Based on results, providers will be matched with professional development opportunities, business experts, mentors, prospective lenders, funders, and resources to meet their identified business and facility goals.

Provider/Program Facilities Improvement Grants are part of the Child Care Business Improvement Project. Funds will support facility improvements and operational enhancements as recommended by the Business Health Assessment process. To be disbursed in association with the Child Care Business Improvement Project.

Contract approved by Governor and Council on June 28, 2023

Family Child Care Project is designed to address the state's family child care shortage via the development and management of a family child care (FCC) start-up and expansion initiative. The goal is to increase access to family child care programs across the state, with an emphasis on infant/toddler care by recruiting and supporting new providers and existing providers interested in expanding their services. Supports will include training and mentoring, use of a business health and readiness tool, and start-up/expansion funding grants. NOTE: DHHS is currently implementing a Preschool Development Grant-funded infant/toddler family child care start-up and expansion project, which will inform this ARPA-D project.

Contract approved by Governor and Council on June 28, 2023

Marketing and Outreach activities will be included within ARPA-D projects to promote the project activities along with NH Child Care Scholarship, as applicable.

Contract approved by Governor and Council on June 28, 2023

Regional Leads Grant Program will provide operational support to New Hampshire's Regional Leads statewide system of partnerships established over the past three years with support from the Preschool Development Grant. The Regional Leads system coordinates resources and services within identified regions through cross-sector partnerships among early childhood care and education, schools and family support.

Contract approved by Governor and Council on June 28, 2023

Out-of-School Time Technical Assistance increases support available to out-of-school time program providers to apply for Granite Steps for Quality.

Contract approved by Governor and Council on June 28, 2023

Business and Child Care Partnership Program will conduct a statewide employer/employee survey to assess the child care-related needs of NH employees/employers and then develop and pilot an employer and child care partnership program to identify best practices to address the identified needs and facilitate employee access to equitable, affordable child care during regular and non-traditional working hours. The program will also coordinate an employer/child care task force, to be embedded within an existing organization, and work with the Department to develop outreach materials to support employers and employees in applying for NH Child Care Scholarship Program funds and finding childcare.

*Request for Proposals posted June 5, 2023; closed June 26, 2023;
Contract approval following*

Data/Information System will support the continued development and operation of the NH Connections Information System, which houses multiple modules essential to the DHHS's Bureau of Child Development and Head Start Collaboration and the Child Care Licensing Unit in meeting federal reporting and accountability requirements. NHCIS includes child care search for families, online access to applications (grants, background checks) and the professional registry, and will include other important functions (e.g., online applications for credentials and Granite Steps for Quality, Pyramid Model module).

Anticipated Amendment to Governor and Council in August 2023,

GSQ Capacity Building Project includes a broad array of projects, pilots and funding support to facilitate quality enhancement and continuous quality improvement for early childhood and out-of-school time programs associated with DHHS's Granite Steps for Quality, Quality Recognition and Improvement System (QRIS). Projects and funding targets range from professional development and career pathways (e.g., training, technical assistance, coaching; credentials, high quality program materials and assessments/tools) and pilot projects (e.g., mixed-delivery Pre-K program; tuition assistance; mental health consultation) to the continued development of the GSQ system (e.g., developing/implementing an evaluation plan and designing a QRIS validation study).

Anticipated contract to Governor and Council July 19, 2023,

ⁱⁱThis report is updated quarterly (March, June, September and December) and posted to the NH DHHS website under "Department Reports & Presentations," "Other Reports & Presentations" at [About DHHS | New Hampshire Department of Health and Human Services \(nh.gov\)](#)