

## **ARPA/CCASP Allowable Expenditures Chart as of September 10, 2021**

This is a general list of the broad categories of allowable uses for the ARPA/CCASP grant awards. We advise you to read the FAQs for more detail and, if necessary, reach out to us at [eccp@dhhs.nh.gov](mailto:eccp@dhhs.nh.gov) for more clarification. This list will be updated as additional guidance comes from the Office of Child Care. Please don't make an assumption that a potential use is permitted or not permitted without checking with us first. We want to help you follow the federal guidelines on the allowable uses and ensure you have properly documented the expense along with getting the maximum use of these award funds. The main goal is to offset your operational expenses to ensure provider stabilization.

Providers may use the funds for prior expenses (not income losses) from March 16, 2020 as long as they meet the criteria for allowable uses as defined by the federal regulations.

For additional information, please see our webinar "How to Use and Track Your ARPA/CCASP Funds" at <https://www.nh-connections.org/covid-19/financial-resources/funds>

**NOTE- These funds cannot be used for direct care services.**

### **Allowable Uses of ARPA/CCASP Funds**

Per federal regulations, providers may use the ARPA grant funds on one or more of the following categories:

#### ***Staff Expenses***

- Personnel costs, benefits, premium pay, and recruitment and retention  
Employee incentives such as increased wages, premium pay and/or one-time bonuses, etc. (25% of the award must be allocated to the incentives category). Reach out for additional technical assistance at [eccp@dhhs.nh.gov](mailto:eccp@dhhs.nh.gov)

#### ***From the federal guidance:***

**Personnel costs** - Wages and benefits for child care program personnel, including increases in compensation for any staff in a child care center or family child care providers and their employees; health, dental, and vision insurance; scholarships; paid sick or family leave; and retirement contributions. Raising the wages of child care staff is a central part of stabilizing the industry, and lead agencies are strongly encouraged to prioritize this use of funds. Other examples of allowable personnel costs include ongoing professional development or training, premium or hazard pay, staff bonuses, and employee transportation costs to or from work.

Child care providers may also use resources to support staff in accessing COVID-19 vaccines, including paid time off for vaccine appointments and to manage side effects, as well as transportation costs to vaccine appointments.

### ***Staff Development and/or Training***

- Professional development related to health and safety practices

#### **From the Federal guidance:**

Lead agencies can use resources to fund background checks and health and safety training for child care providers who were previously ineligible for CCDF subsidies because they had not completed the health and safety requirements in the CCDBG Act.

- Staff professional development to improve quality and self-care activities

### ***Operational and/or Occupancy Expenses***

- Rent or mortgage payments, utilities, facilities maintenance and improvements, or insurance
- Improvements and repairs – not construction/replacement
- Transportation – related to the transport of children or staff only as it relates to daily program operations during program hours including mileage, and vehicle maintenance
- Marketing/advertising
- Overhead expenses that comply with the allowable uses list of expenses

#### ***From the federal guidance:***

**Rent, utilities, facilities maintenance, and insurance** - Rent (including rent under a lease agreement) or payment on any mortgage obligation, utilities, facility maintenance or improvements, or insurance. It also may include late fees or charges related to late payment. Lead agencies may define facility maintenance and improvements to include minor renovations that do not meet the definition of major renovation at 45 CFR 98.2. Sub-grant funds may not be used for construction or major renovations. Allowable facility maintenance and improvements may include, but are not limited to, building or upgrading playgrounds, renovating bathrooms, installing railing, ramps, or automatic doors to make the facility more accessible, and removing non-load bearing walls to create additional space for social distancing. Lead agencies should strive to include renovations needed to comply with safety guidance in the context of developmentally appropriate practice and a welcoming environment for children and families. In addition, maintenance and minor renovations to address COVID-19 concerns are appropriate. Lead agencies are encouraged to support child care providers in making any facilities improvements that make child care programs inclusive and accessible to children with disabilities and family members with disabilities.

Minor renovation, including to make programs inclusive for children and family members with disabilities, does not require prior ACF approval. Minor renovations may also include:

- Upgrading the kitchen to add safe electrical outlets and fix plumbing fixtures
- Repainting walls with a non-toxic paint
- Renovating and updating bathrooms (e.g., sink, faucet, toilet, etc.) to ensure age-appropriateness and child safety
- Replacing cabinets with an adequate storage space for each child's personal belongings
- Installing rails and ramps that are accessible to individuals with disabilities
- Updating a sidewalk to provide a safe pathway for children
- Building or upgrading a playground
- Replacing fire sprinklers, carbon monoxide detectors, and smoke detection systems
- Replacing windows or doors Completing a minor roof repair.
- Removing non-load bearing walls to create additional space for social distancing

### ***Materials and/or Supplies***

- Personal protective equipment, cleaning and sanitation supplies and services

***From the Federal Guidance:***

**Personal protective equipment, cleaning, and other health and safety practices** - Personal protective equipment (PPE), cleaning and sanitization supplies and services, or training and professional development related to health and safety practices. Uses of funds under this category are not limited to those designed specifically in response to the COVID-19 public health emergency and may include equipment, supplies, services, and training that support meeting state and local health and safety guidelines, including those related to the prevention and control of infection diseases, prevention of sudden infant death syndrome and use of safe sleep practices, administration of medication (consistent with standards for parental consent), prevention and response to emergencies due to food and allergic reactions, building and physical premises safety, prevention of shaken baby syndrome and abusive head trauma and child maltreatment, response planning for emergencies from a natural disaster or a man-caused event, handling and storage of hazardous materials and the appropriate disposal of bio-contaminants, appropriate precautions in transporting children, pediatric first-aid and CPR, and recognition and reporting of child abuse and neglect.

- Purchases of/or updates to equipment and supplies to respond to COVID-19

***From Federal Guidance:***

**Equipment and Supplies** - This category includes purchases of or updates to equipment and supplies to respond to the COVID-19 public health emergency. So long as the equipment and supplies are in response to the COVID-19 public health emergency, they may include indoor and outdoor equipment and supplies that facilitate business practices consistent with safety protocols and developmentally appropriate practice, as well as business items needed to respond to new challenges, such as business software and upgrades. This also includes technological upgrades that programs can use to collect data and report to lead agencies.

### ***Other allowable uses***

- Mental health supports for children, staff and families

***From Federal Guidance:***

**Mental health services** - Providers may use these funds to support the mental health of children and employees. Infant and early childhood mental health consultation (IECMHC), an evidence-based, prevention-based strategy that teams' mental health professionals with people who work with young children and their families to improve their social, emotional, and behavioral health and development in the settings where children learn and grow, is one example of an allowable mental health support. To ensure mental health supports are delivered efficiently and effectively, lead agencies are encouraged to offer providers avenues to use funds for IECMHC in as streamlined a manner possible. This may involve allowing providers to "opt in" to direct a portion of funds for IECMHC through a state-administered IECMHC network, or to "opt in" to regionally or locally coordinated IECMHC services that the state arranges or encourages with regional health and human services entities.

The well-being of caregivers is also important to stabilizing the child care sector because the mental health and wellbeing of staff impacts training, recruitment, and retention as well as the level of care provided to children. Mental health consultations for staff and other types of mental health supports to staff are also allowable.

- Goods or services necessary to maintain or resume child care services

***From Federal Guidance:***

**Goods and services** – This category includes any material good or service necessary for the operation of a child care program. We encourage lead agencies to treat this term broadly, in accordance with the breadth of the language used in the statute, so that child care providers can flexibly meet their individual needs. Examples of goods that might be necessary to maintain or resume child care services include food and equipment and materials to facilitate play, learning, eating, diapering and toileting, or safe sleep. Examples of services that are allowable include business automation training and support services, shared services, child care management services, food services, and transportation.

The category also covers fees associated with licensing and costs associated with meeting licensing requirements.

### **These are **some, but not all**, of the expenses/costs you cannot pay for -**

! Cannot be used for direct care services!

! No new construction, expansions, additions or major renovations!

! No gifts or gift cards or promotional award item!