Report to
The Vermont Legislature

Annual Report on Supplemental Child Care Grant Funds Distributed

In Accordance with
2015 Act 58 E.318; 33 V.S.A. §3505(a)(2):
Fiscal Year 2016 Appropriations Act

Submitted to: Senate Committee on Health and Welfare
House Committee on Human Services

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AGENCY OF HUMAN SERVICES
Department for Children and Families

Part I: Summary

The Fiscal Year 2016 Appropriations Act provides that, annually on or before January 15th, the DCF Commissioner shall report to the Senate Committee on Health and Welfare and to the House Committee on Human Services regarding any funds distributed as supplemental child care grants for extraordinary relief. Specifically, the report shall address how funds were distributed and used. It shall also address results related to any distribution of funds.

Enabling legislation to establish an Extraordinary Relief Fund was passed in 2012 for State Fiscal Year (SFY) 2013. Additional language was added in 2014 allowing the Commissioner to supplement funds to certain high risk programs. The objective of the funding is to protect Vermont families in areas of the state with high poverty rates from the closing of a child care center that provides full- or part-time care for their children. The guidelines establish a process by which child care centers at imminent risk of closure may seek short-term extraordinary financial relief. This process does not create any entitlement to rates in excess of those established in the child care financial assistance program subsidy rate schedule, or to any other form of relief.

The Department for Children and Families (DCF) released guidelines and a simple two page application to establish a process to implement this legislation in June 2012. The guidelines specifically describe the objective of the funds; the nature of the available relief; criteria to be considered by the Department; the application procedure; and the appropriate contact in the Child Development Division (CDD). These guidelines and application materials are posted on the DCF website in the CDD section. Notice of availability of this extraordinary relief was sent to all regulated child care providers with a link to the new materials in 2012.

Annually, in accordance with legislation, DCF sets aside a maximum amount of one half of one percent of funds appropriated for the Child Care Financial Assistance Program (CCFAP) for purposes of extraordinary relief. Any unspent funds revert to support subsidies in CCFAP.

Each application must include detailed financial information and a clear and realistic plan for sustaining future operations. Applications are subjected to a thorough review process by a team of fiscal and program staff in DCF and AHS.

Part II: Data

Extraordinary Relief Fund Assets and Expenditures

SFY	Amount Available	Amount Awarded	Applications Processd	Applications Withdrawn/Denied
2013	$217,616	$101.743	4	0
2014	$244,564	$233,000	3	1
2015	$236,621	$103,250	4	1
2016	$236,621	$146,625	4	0
2017	$236,621	$97,000	2	0
2018	$239,999	$87,000	1	0
2019	$257,841	$88,460	3	0
2020	$240,000	$136,570	3	0

Applicant	SFY	Location	Awards	Brief description
The Kids School	2020	Stowe	$31,280 grant with no repayment	Program required funding for additional overhead due to temporarily operating two facilities because of unforeseen water system issues. The program had anticipated expanding capacity and due to water requirements was required to hook into town water supply. This delayed being able to open at a larger capacity and resulted in the owner choosing to operate two sites temporarily to meet the needs of children and families. Funding was used to meet operational expenses such as salaries, rent and utilities.
Newport Promise Community Early Care and Learning Center	2020	Newport	$17,290 grant. $3,500 in unspent funds was repaid by the program.	Program required funding to close and move children to alternative care. Program was unable to achieve enrollment for capacity and had overhead and salary costs that exceeded tuition income.
Ascension Childcare Inc	2020	Shelburne	$88,000 loan.	The program's director resigned in December 2019. Since that time, the board has identified a cash flow problem and requested resources to prevent the loss of 85 childcare slots.