



**Commonwealth of Pennsylvania
Departments of Education and Human Services**

February 24, 2021

Dr. Ellen Wheatly
Acting Director, Office of Child Care
U.S. Dept. of Health and Human Services, Administration for Children & Families
330 C Street, SW — Room 4522,
Washington, DC 20001

This letter describes how the Department of Human Services, Office of Child Development and Early Learning (OCDEL) plans to use the Child Care and Development Funds (CCDF) awarded under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). We understand that this description will be used for the purpose of informing the Office of Child Care, Administration for Children and Families and Congress how our Lead Agency anticipates using the funds to support the child care needs in our jurisdiction.

Pennsylvania plans to use CRRSA funds for activities in the following categories:

Direct Services/Subsidies

Pennsylvania plans to use \$87.8 million of CRRSA funds to sustain direct service rate increases subsidized child care reimbursements. Effective March 1, 2021, Pennsylvania used \$28.8 million of existing federal funds to increase the Maximum Child Care Allowance (MCCA) as a strategy to provide additional funds to stabilize child care participating in CCDF. All CCDF participating providers, including relative providers received the March 1st MCCA increases. CRRSA funds will maintain that increase through June 30, 2022.

Assistance (Other than Subsidies) to Stabilize Child Care

Pennsylvania plans to use \$212 million of CRRSA funds to provide assistance to all child care providers open as of January 31, 2021. Pennsylvania developed a funding formula using provider type and licensed capacity then considered the cost of implementing CDC guidance and the impact of reduced enrollments. The formula includes an additional cost of implementing CDC guidance of \$22 per week per child and the impact of enrollments reduced by 32%. This cost to implement CDC guidelines is supported by an Impact Study of COVID-19 on Pennsylvania's Child Care providers conducted by the Penn State Center for State and Regional Affairs. OCDEL used its integrated data system, PELICAN, to track decreased enrollments.

Assistance to Providers Not Participating in the Subsidy System Prior to the Pandemic The same formula will be utilized for all provider regardless of CCDF participation.

Other

Pennsylvania will use \$3 million of CRRSA funds to supplement CCDF Quality funds used to provide all child care workers with a \$600 Pandemic Child Care Worker Relief Payment. This individual award serves as a small retention incentive for staff who worked through the pandemic. Pennsylvania used a combination of CCDF CARES Act funds and Quality funds totaling \$19.8 million to provide 33,000 individuals with funding. There is a wait list of applicants of approximately 5,000. \$3 million of CRRSA funds will ensure that all applications submitted by deadline will be funded.

Pennsylvania will use approximately \$1 million of CRRSA funds for administrative purposes to facilitate all previous activities noted in this letter of intent.

OCDEL will amend our CCDF plan as a result of activities implemented under CRRSA funding not currently described in the plan, within 60 days of implementation.

Thank you and kind regards,

/s/

Tracey Campanini
Deputy Secretary
Pennsylvania CCDF Co-Administrator

CC:

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