



HENRY McMASTER, GOVERNOR
MICHAEL LEACH, STATE DIRECTOR



February 25, 2021

Ellen C. Wheatley, Ph.D.
Acting Director, Office of Child Care
U.S. Department of Health and Human Services
Administration for Children and Families
Mary E. Switzer Building, Fourth Floor, MS 4425
330 C Street, SW
Washington, DC 20201

Dear Acting Director Wheatley:

This letter serves as South Carolina's response to the reporting requirement outlined in the Administration for Children and Families (ACF) Program Instruction (CCDF-ACF-PI-2021-01), released on February 12, 2021. The Department of Social Services (DSS), the state's Lead Agency for the Child Care and Development Fund (CCDF), plans to use Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) funds as outlined below.

Direct Child Care Services (Subsidies)

Does the lead agency plan to use CRRSA funds to provide direct child care services, including child care subsidy assistance to health care sector employees, emergency responders, sanitation workers, farm and other food service workers, and/or other workers deemed essential or frontline during the response to coronavirus? If yes, describe.

DSS is analyzing data to determine areas of the state where the use of contracted slots for children age 0-3 in urban and rural areas will be most effective in building supply and stabilizing child care capacity. Our focus is to increase statewide access to safe, affordable, high quality child care. South Carolina is currently using CCDF funding to provide child care subsidies to families with income at or below 300% of the federal poverty level. The State will monitor this funding level and if necessary may use CRRSA funds for subsidies.

The State is in the process of analyzing the most recent Market Rate Survey and will increase payment rates as appropriate to ensure equal access to child care. We are also exploring options to provide temporary rate supplements to further close the gap between subsidy levels and private pay rates.

Implementation of Virus Mitigation Policies and Practices

Does the lead agency plan to use CRRSA funds to provide resources, supplies, and/or technical assistance to child care providers to support implementation of health and safety practices and policies in line with guidance from State and local health departments and the Centers for Disease Control and Prevention (CDC)? If yes, describe.

DSS plans to provide training through the South Carolina Department of Health and Environmental Control for agency staff and contractors who provide technical assistance and training as well as child care licensing specialists and ABC Quality assessors to increase their knowledge of appropriate health and safety practices. Our Child Care Resource and Referral staff are developing plans for a virtual conference with multiple training opportunities to support virus mitigation policies and practices.

Grants or Assistance (Other than Subsidies) to Stabilize Child Care Providers

Does the lead agency plan to use CRRSA funds to support the stability of the child care sector to help child care providers (program facilities and workforce) pay for increased operating expenses during the COVID-19 public health emergency? If yes, describe.

DSS plans to continue efforts to support regulated child care facilities through grants designed to help providers that had to close or lost revenue due to low enrollments due to COVID-19. Grants will be made available to assist providers in paying for their child care facility expenses, including rent/mortgage payments, utility bills, and personnel costs. Funds may also be used to support providers who are serving school-age children when the children are completing remote, virtual, or online schoolwork to offset the cost to parents.

The State also intends to use remaining CARES Act funding to provide grants/stipends to providers to help mitigate the increased cost of sanitation and cleaning supplies and personal protective equipment. CRRSA funds may be used for this purpose once the CARES funding is fully liquidated.

Finally, DSS is working on a protocol for startup grants for family or center care providers to support the opening of additional licensed child care facilities. In addition to grant funds, resources such as technical assistance, training, and connection to other programs, will be provided to support the sustainability of these child care providers.

Assistance to Providers Not Participating in the Subsidy System Prior to the Pandemic

As required in CRRSA, how does the lead agency plan to use a portion of funds appropriated in CRRSA to provide assistance to CCDF-eligible child care providers not participating in the subsidy system prior to the COVID-19 public health emergency?

DSS plans to continue efforts to support regulated child care providers not participating in the subsidy system through grant opportunities designed to help providers that had to close or lost revenue due to low enrollments due to COVID-19. These grants will be made available to assist providers in paying for their child care facility expenses, including rent/mortgage payments,

utility bills, and personnel costs. Funds may also be used to support providers who are serving school-age children when the children are completing remote, virtual, or online schoolwork to offset the cost to parents.

Other

Does the lead agency plan to use a portion of CRRSA child care funds for any other activities or assistance not described above? If yes, describe.

We are in the process of analyzing and/or developing a number of activities to address the short-term needs of providers and parents and make lasting improvements throughout the state's child care/early learning system. DSS is currently soliciting feedback from providers, parents, and other stakeholders to ensure the activities we fund will meet their needs.

It is likely that other activities/strategies not specifically referenced in this letter will be implemented and funded with CRRSA dollars. As the Lead Agency, we will update ACF when the list of activities is finalized. All funds will be spent in accordance with federal guidelines and directives.

If you have any questions regarding how South Carolina plans to use the state's allocation of CRRSA funds, please contact Michele Bowers at (803) 898-7307 or michelle.bowers@dss.sc.gov.

Sincerely,

/s/

Amber Gillum
Deputy State Director, Economic Services

cc: Eric Blanchette, Regional Program Manager, Region IV
Melissa Davis, Program Specialist, Region IV
Michele Bowers, Director, Division of Early Care and Education