



**New Hampshire’s Child Care Strengthening Plan
Use of ARPA (American Rescue Plan Act) Discretionary Funds**

Status Report: September 30, 2023¹

This update provides a status of the Child Care and Development Fund ARPA-Discretionary plans since the report issued June 28, 2023. New Hampshire’s plan to utilize \$29,796,854 in ARPA Discretionary Funds (ARPA-D) addresses four areas of critical need following guidance from 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 \(nh-connections.org\)](#)):

1. Increase equitable access to affordable, quality child care for families;
2. Strengthen the child care workforce now and for the future by investing in evidence-based and promising practices and strategies designed for these purposes;
3. Strengthen program quality via continuous quality improvement (CQI); and
4. Strengthen the overall childcare 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. DHHS also considered NH stakeholders’ recommendations and identifying opportunities to leverage existing resources and efforts. DHHS generated preliminary cost estimates for each priority area to create an initial budget, which were refined over time.

Encumbrances/Targeted Costs and Expenditures to Date

ARPA-D funds are required to be encumbered by September 30, 2023, and expended by September 30, 2024. As of September 30, 2023, DHHS has expended or encumbered \$29,796,854 as Table 1 shows.

Table 1

Encumbrances and Expenses	
Data/information System Development	\$ 4,924,928
Early Childhood System Governance	\$ 200,000
Child Care Provider Direct Support and Education	\$ 2,833,641
Child Care Provider Quality Incentives	\$ 2,848,541
Child Care Strengthening Initiatives	\$ 18,959,947
Required Audit Set Aside	\$ 29,797
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	\$ 29,796,854

Note: figures above are subject to adjustment after invoicing and audits have been completed.

Brief Description of Procurements and Payments

Below is a high-level summary of ARPA-D procurements and expenditures.

- ***Data/Information System Development*** supports the continued development and operation of the NH Connections Information System, which houses multiple modules to enable DHHS's Bureau of Child Development and Head Start Collaboration and the Child Care Licensing Unit to meet 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).
- ***Early Childhood System Governance*** provided funding for the Council for Thriving Children Birth-8 Early Childhood Care and Education (ECCE) Parent Advisors, led by NH Family Voices, to serve in an advisory role to the Council. The Parent Advisors group shares emerging trends for children, families, communities, workforce and businesses, and generates opportunities for learning and building capacity to provide supports and services across the ECCE system. This contract is managed by the DHHS Division of Long Term Supports and Services, Bureau of Family Centered Services, as part of a larger contract.
- ***Provider Educational Services*** provided funding for Out-of-School Time training and technical assistance. Services included basic, intermediate and advanced training and technical assistance and/or mentoring activities for school-age childcare providers and programs. These activities assisted school-age childcare providers and programs to meet staff professional development required by the NH Child Care Licensing Unit, and license-exempt school-age childcare providers and programs to meet the initial and annual staff professional development requirements to serve children enrolled in the NH Child Care Scholarship Program.
- ***Absent Due to COVID*** – Temporary policy change implemented from October 2020 through April 2023 that enabled providers to bill for serving children during COVID-19-related absences in accordance with the Department's guidance (i.e., specified number of days per child).
- ***GSQ and Other Provider Quality Incentive Payments*** – Payments made directly to providers toward program quality enhancement and continuous quality improvement. Some payments were limited to programs participating in Granite Steps for Quality (GSQ), New Hampshire's Quality Recognition and Improvement System (QRIS), while others were provided on a one-time basis to all programs meeting basic eligibility criteria that submitted an application and agreed to the terms for expending the funds. One-time funds were based on availability.
- ***Provider Quality Materials*** – High quality, developmentally appropriate materials were procured and distributed to programs (infant/toddler, preschool, and out-school time) to enhance program quality. Infant/toddler and preschool kits (selected bundle of materials) were distributed with tips for providers on engaging children with the materials and promoting development through play.
- ***Granite Steps for Quality (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 (GSQ), Quality Recognition and Improvement System (QRIS). Funded projects 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 system validation study).

- ***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 will attract, retain and increase the quality of the early childhood and out-of-school time workforce. This project will 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.
- ***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.
- ***Family Child Care Expansion Project*** was designed to address the state’s family child care shortage by 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.
 - ***Provider/Program Facilities Improvement Grants*** are part of both the Child Care Business Improvement Project and the Family Child Care Expansion 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 and the Family Child Care Expansion Project.
- ***Business and Employee 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.
- ***Marketing and Outreach*** activities are included within ARPA-D projects to promote projects’ activities along with the NH Child Care Scholarship, as applicable.
- ***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.

- ***Out-of-School Time Provider Support Services*** increases support available to out-of-school time program providers to apply for Granite Steps for Quality.

ⁱ Updates to this report are posted to the NH DHHS website under “Department Reports & Presentations,” “Other Reports & Presentations” at [About DHHS | New Hampshire Department of Health and Human Services \(nh.gov\)](#)