Date: August 7, 2020

To: The Honorable Chairman and Members  
Pima County Board of Supervisors  

From: C.H. Huckelberry  
County Administrator

Re: Pima County Small Business Assistance Grants for Child Care Providers and Parent Checklist

Child care is a necessity for many employers and employees. However, in Pima County, as is true across the nation, almost half of child care providers are still closed, and those that are open are caring for much lower numbers of children than prior to the pandemic. Attached is report from my Executive Assistant, Nicole Fyffe, on this issue. Ms. Fyffe has been working with the Pima County Health Department’s Child Care Liaison, Emily Rebro, as well as state and local child care representatives, to draft and implement a strategy to support safe and operable child care during what has become a real crisis for the child care industry and parents due to the pandemic.

The attached report includes a dual short-term strategy for addressing COVID-19 related child care challenges in Pima County:

1. Provide support to child care providers to reopen and operate in a safe and healthy manner.

2. Help parents find child care providers that are operating safely during this pandemic, and help them to feel safe about returning to child care.

To that end, we will be announcing today a small business assistance grant program for child care providers located outside of the City of Tucson. We will be offering grants of up to $10,000, to be funded by up to $2 million of County’s CARES Act funds, to reimburse child care providers for costs associated with reopening and operating safely during this pandemic. We have asked the City to consider similar support for child care providers located within the City limits. More information will be available about this grant program next week, including a link to the application, on our Back to Business web page www.pima.gov/backtobusiness.

In addition, the Pima County Health Department is in the process of developing a checklist for parents who are ready to go back to work and need to find a child care provider that is implementing health and safety guidelines. The checklist will offer tips to parents for what to ask and what to expect of child care providers that are operating during this pandemic.
Attachment

CHH/dr

c: Jan Lesher, Chief Deputy County Administrator
   Dr. Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer, Health and Community Services
   Carmine DeBonis, Deputy County Administrator for Public Works
   Dr. Terry Cullen, Public Health Director, Pima County Health Department
   Regina Kelly, Director, Grants Management and Innovation Office
   Arnold Palacios, Director, Department of Community and Workforce Development
   John Moffatt, Director, Economic Development Office
   Emily Rebro, Childcare Health Consultant Program Manager, Pima County Health Department
Date: June 24, 2020

To: C.H. Huckelberry  
County Administrator

From: Nicole Fyffe  
Executive Assistant to the  
County Administrator

Re: Safe and Operable Child Care Necessary for Reopening Businesses

Background

Child care is critical to the economy because it allows parents to return to work. On June 12, 2020, I attended a small meeting convened by United Way of Tucson and Southern Arizona and Community Foundation of Southern Arizona, to discuss the current status of child care in Pima County, challenges to reopening and operating, and possible actions to address these challenges. Also in attendance were representatives from the Arizona Department of Economic Security (DES), First Things First (FTF), Childcare Resource and Referral (CCR&R), Tucson Unified School Districts (TUSD), and the City of Tucson. This memorandum is a summary of what was discussed, as well as a proposed short-term strategy for addressing this child care crisis, and recommendations for Pima County.

Status of Child Care

During this COVID-19 pandemic, data from the Bureau of Labor statistics shows that over a third of child care workers were laid off nationally, with only restaurant and hospitality workers facing higher rates of unemployment.¹ Nationwide, nearly half of child care providers shut down, and of those that remained open 85 percent are operating with less than half their prior enrollment.² It is estimated that roughly half of the nation’s child care capacity is at risk of disappearing.³ In Pima County, 41 percent of child care providers surveyed remain closed (251 out of 600).⁴ For those that reopened or stayed open, many are operating significantly below prior enrollment rates and have had to increase rates.

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² Survey by the National Association for the Education of Young Children cited in: https://abcnews.go.com/Politics/coronavirus-pushing-us-child-care-industry-brink-collapse/story?id=71353735
⁴ Childcare Resource and Referral COVID-19 Provider Status 6.12.20
For other businesses and organizations to reopen and operate, employees with children need to have access to safe child care and need to feel safe sending their children to child care. Pima County as an employer faces the same challenges. A recent count from the pay period ending June 6, 2020, showed 263 County employees on full time or intermittent federal leave for lack of child care. During the same pay period, 628 employees were telecommuting full time or intermittently, with an unknown number doing so because of lack of child care.

Unlike our prior focus on quality child care for preschool age children, this crisis impacts families with children age birth though 12. While most K-12 schools are now closed for the summer, only a fraction of summer camps are operational, the City’s KIDCO program has not reopened, and Pima County’s Natural Resources, Parks and Recreation youth programing is not planned to reopen until the Fall. While some parents are able to work in some capacity at home while watching their children, for many jobs this is simply not possible.

According to a recent survey of child care providers in Pima County, the greatest challenge is that parents do not feel safe placing their children in child care right now. Other challenges include access to Personal Protective Equipment (PPE) and cleaning supplies, insufficient financial resources, lack of clarity for COVID-19 child care health and safety guidance, and child care employees unwilling or unable to come back to work.

The Center for Disease Control (CDC) and Arizona Department of Health Services (ADHS) developed guidelines for operating child care facilities safely during this pandemic. These are guidelines and not enforceable mandates. This means that although the guidelines include, for example, no more than 10 children in a room and keeping those same children together with the same staff and supplies, a child care provider can choose to operate without following these guidelines. You can also imagine how meeting these guidelines could significantly change the operating model of a child care center, reducing the overall capacity, or requiring new rooms to be added/remodeled, or additional staff be retained. Interestingly, home-based child care providers that tend to serve a lower number of children, have been better situated to meet these health and safety guidelines, and a greater proportion of home-based care providers have remained open or reopened in comparison to larger child care centers.

Current and Near Term Support for Child Care Providers and Families

The State of Arizona received emergency child care funding in an amount of $88 million as part of the $3.5 billion Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for child care. This is in addition to the State’s regular Federal Childcare Development Block Grant that funds the majority of child care assistance in Arizona. The State, through DES, has been funding child care providers that are contracted to receive DES child care subsidies for low income families, at January’s enrollment rates, regardless of whether the provider is open or closed, and regardless of present enrollment numbers. This is only for the DES child care subsidy slots, though. Some providers were not contracted with DES for these subsidies prior to the pandemic and therefore do not receive this funding. Others may have

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5 May 26 survey cited by DES but from CCR&R – ask Michelle or Lela
been contracted for a low number or high number of slots out of their full enrollment numbers. This assistance, however, is scheduled to end July 31.

In addition, the State used a portion of the Federal emergency child care funds to support Arizona Enrichment Centers. These are child care providers that agreed to remain open or reopen to serve essential workers. The funds support the providers, as well as covering all of the child care tuition for essential workers with annual salaries at or below $65,000. There are 72 of these Arizona Enrichment Centers in Pima County.6

DES is currently developing a $40 million grant program for child care providers. The DES grant program would be available to all 2,800 ADHS-licensed providers and DES Certified Family Child Care providers, including those in Pima County. Focusing on stability and ensuring widespread access to quality childcare, the goal is to support the reopening of the providers across the State, help subsidize the operating costs of providers to prevent closures, and ensure that Arizona families have a choice. This grant program would provide a base award calculated utilizing a per child rate of $300 for each enrolled child who attended at least one day of care in January 2020. Additional incentives for child care providers are being considered to address child care deserts and continuing to support providers invested in Quality First or other national accreditations.

Child Care providers may use the grant award funding to pay for salaries and benefits for employees, DHS licensing fees, liability insurance, tuition and registration relief for families, lease or mortgage payments, utilities, cleaning supplies, classroom materials and supplies, and additional supplies required by CDC and DHS guidelines. The child care provider must attest to reopening no later than September 30, 2020. The award amounts would be paid out to providers in three monthly installments, and reporting requirements on capacity, enrollment, and the use of funds would be required.

DES used the average children served data from the 2018 Market Rate Survey to estimate the following average grant awards in the table below, which includes the possibility of qualifying for incentive amounts.

<table>
<thead>
<tr>
<th>DES Grant Amount Ranges</th>
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<tbody>
<tr>
<td>Capacity</td>
</tr>
<tr>
<td>Capacity 1-4</td>
</tr>
<tr>
<td>Capacity 5-10</td>
</tr>
<tr>
<td>Capacity 11-59</td>
</tr>
<tr>
<td>Capacity 60+</td>
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</tbody>
</table>

Given the urgency of the need, it is DES’s goal to announce and post the grant program in early July and make the first grant payment to providers by August 1st.

6 Childcare Resource and Referral COVID-19 Provider Status received 6.12.20 (ask Michelle for date of survey)
FTF, a separate state agency that supports access to quality and affordable child care in Arizona with voter-approved tobacco funds, has similarly continued what they call Quality First child care scholarships at February enrollment for providers that had been receiving those scholarships.

CCR&R is the child care consumer education program for Arizona, and assists families in finding child care. CCR&R has been sharing information developed by its national affiliate, Child Care Aware of America, with families and child care providers regarding COVID-19 guidelines, including information that families can use to evaluate the safety measures being taken by child care providers when deciding whether to return (Attachment 1). CCR&R has also conducted two surveys of child care providers in Arizona. The first was conducted in March to quickly assess the supply of child care to care for children of essential personnel and first responders. The second is currently being conducted to assess the resources and supports needed to reopen child care, as well as assess the impact closures have on the capacity of child care for children and families in Arizona.

The Pima County Health Department designated its Childcare Health Consultant Program Manager, Emily Rebro as the Child Care Liaison when standing up the Emergency Operations Center. Ms. Rebro is a Registered Nurse and certified teacher, and has been assisting child care providers in three main areas:

1. Providing CDC and ADHS reopening and operating guidance through weekly mass emails and by working with community partners, as well as responding to questions from individual child care providers about how to meet the guidance.
2. Serving as the contact for child care providers if there is a positive COVID-19 case, providing them guidance and connecting them with the Pima County epidemiology team.
3. Working with the EOC’s logistics team to get child care providers registered with a Survey123 account so that they can request PPE that they otherwise are having difficulty purchasing through their normal sources. The documents used to create the Survey123 accounts are also available in Spanish.

Unfortunately, employees of the County’s Childcare Health Consultant Program were deemed non-essential by the Health Department at the onset of the Governor’s Stay at Home, and the already limited staff were reassigned to meet other County service needs. Even prior to this, however, the Program has struggled to hire and retain qualified nurses due to salaries that are far below what nurses can make in other settings. This program is funded by the FTF and only available to child care providers that are within the “Quality First” program (about 1/3 of child care providers in Pima County).

Proposed Strategy

The group that met on June 12 developed the attached short-term dual strategy for addressing child care challenges in Pima County (Attachment 2).

Recommended Next Steps for Pima County

Ms. Rebro will continue to increase awareness of Pima County’s Survey123 system for child care providers for ordering PPE (Action item 1.B.)

Ms. Rebro will continue and expand communications and education for child care providers and partners about the CDC and ADHS health and safety guidelines (Action item 1.C).

In addition, I recommend that the County begin working with DES, and the City of Tucson, if they are interested, to evaluate the potential to allocate City and County Corona Relief Funds to supplement the DES grants to childcare centers in Pima County. This should include a business training component (Action item 1.A). I can take the lead on this, along with input from Ms. Rebro, Grants Management and Innovation, Economic Development, and Community Services.

I also recommend that the County and CCR&R begin working on a communications plan aimed at parents looking for safe and healthy child care. The County can engage our new contactors, Hilton and Myers, in this effort (Action item 2.A.). I can also take the lead on this item.

NF/dr

Attachments

c: Members, June 12, 2020 Working Group
Jan Lesher, Chief Deputy County Administrator
Dr. Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer, Health and Community Services
Dr. Terry Cullen, Public Health Director, Pima County Health Department
Regina Kelly, Director, Grants Management and Innovation Office
Arnold Palacios, Director, Department of Community and Workforce Development
John Moffatt, Director, Economic Development Office
Emily Rebro, Childcare Health Consultant Program Manager, Pima County Health Department
Attachment has been removed as Pima County is working with Child Care Resource & Referral on an updated parent check list for release soon.
Short-Term Strategy for Addressing COVID-19 Related Child Care Challenges in Pima County

The following strategy and actions were developed by a working group that met on June 12, 2020, and includes the United Way of Tucson and Southern Arizona, Community Foundation of Southern Arizona, First Things First, Childcare Resource and Referral, Department of Economic Security, Tucson Unified School District, City of Tucson and Pima County.

Short-term Strategy:

1. Provide support to child care providers to reopen and operate in a safe and healthy manner.
2. Help parents find child care providers that are operating safely during this pandemic, and help them to feel safe about returning to child care.

1. To provide support to child care providers to reopen and operate in a safe and healthy manner, the following actions could be taken:

1.A. Provide grants, along with business training and professional development. DES is proposing a state-wide $40 million grant program for child care providers. Pima County and the City of Tucson could evaluate supplementing these grants for child care providers operating in the City of Tucson and Pima County; and/or provide similar assistance through small business grant programs not specifically targeted to child care providers. These grants could also require or include business training. The CFSA is working with the University of Arizona and FTF to develop financial business training tailored to child care providers. The United Way plans to allocate $250,000 in resources to support child care recovery through the United for Southern Arizona Child Care Rebuild Initiative. This proposed initiative will include navigation resources to assist all Pima County child care providers in identifying and accessing available opportunities. Specifically, navigation support will cover outreach to child care providers, communication about grant opportunities, access to professional development, and translation services. As part of the initiative, United Way will also offer grants to high-quality child care and preschool providers in Pima County school districts and/or rural areas.

1.B. Continue and expand efforts to register child care providers with Pima County’s Survey123 system for ordering and funding PPE.

1.C. Continue and expand communications to child care providers regarding CDC and ADHS health and safety guidance. This effort could include Pima County, FTF and CCR&R. Pima County and FTF are working on creating Child Care Health Consultant positions that would be available to child care providers statewide for a year, as well as a checklist for providers. This could also include a certificate program for providers that could then be posted to increase parents’ confidence. Pima County could train FTF coaches that already serve Quality First child care providers on these health and safety guidelines and explore options with FTF to provide guidance to all child care providers, not just those in the Quality First program.

2. To help parents find child care providers that are operating safely during this pandemic, and help them to feel safe about returning to child care, the following actions could be taken:
2.A. Develop a communications plan to inform parents of the health and safety guidelines for child care providers, questions to ask child care providers and things to look for to determine if providers are meeting these guidelines. CCR&R and Pima County could develop and implement a joint communications plan. Implementation could include other partners like DES, UW, FTF, cities and towns, chambers etc.