



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development and Early
Education

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
ARIEL FORD • Director

February 25, 2022

Dear County Directors of Social Services and Local Purchasing Agencies

Letter Number: SCCA DCDL 2022 – #03

Attention: Directors of County Departments of Social Services
Directors of Other Local Purchasing Agencies
Child Care Coordinators
Other DSS Personnel who work with the Subsidized Child Care Assistance Program

Subject: American Rescue Plan Act (ARPA) Grant Funds and SCCA Recipient Eligibility

On October 7, 2021, Governor Roy Cooper announced a historic, one-time federal \$805 million investment in North Carolina's early care and learning programs. The North Carolina Child Care Stabilization Grants, made possible by funding from the 2021 American Rescue Plan Act, will support working families with access to high-quality, affordable child care. The grants will also help early care and learning programs with recruitment and retention, enabling them to provide better wages and benefits to teachers, and promoting equity for all—children, parents, and teachers.

Funds received from stabilization grants can be used for wages and benefits for child care program personnel, including increases in compensation for any staff in a child care center or family child care providers and their employees as well as health, dental, and vision insurance, scholarships, paid sick or family leave, and retirement contributions.

SCCA recipients employed in the child care field may receive a bonus or salary increase as a result of funding from the stabilization grants received by their employer. The Division of Child Development and Early Education wants to ensure that the distribution of grant funds does not adversely impact SCCA subsidy recipients. Therefore, bonuses and salary increases are to be considered a temporary change in income and should not be counted for subsidy eligibility. Please note the above applies to recipients employed with child care facilities only.

If you have questions about the information in this letter or inquiries related to the Subsidized Child Care Assistance Program, please contact the division at dcdee.subsidy.policy.help@dhhs.nc.gov. You may also request a consultation with your Technical Assistance Consultant.

Sincerely,

A handwritten signature in black ink that reads "Ariel S. Ford".

Ariel Ford
AF/TWB

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

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