

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.9
(ID # 20897)

MEETING DATE:

Tuesday, January 24, 2023

FROM : FIRST 5 RIVERSIDE COUNTY:

SUBJECT: RIVERSIDE COUNTY CHILDREN & FAMILY COMMISSION, FIRST 5 RIVERSIDE: Authorize additional funding and budget adjustment for the Early Care & Education (ECE) Recovery Fund to stabilize and expand availability of ECE to support the workforce; All Districts. [\$8,000,000; 100% Federal American Rescue Plan Act Funds] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the allocation of \$8,000,000 in federal funding under the American Rescue Plan Act of 2021 (ARPA) for continuation of the Early Care & Education Recovery assistance to support COVID-19 response and economic recovery within Riverside County to be administered by First 5 RIVERSIDE COUNTY;
2. Authorize the Auditor Controller to Make Budget Adjustments as Detailed in Attached First 5 Riverside County's Schedule A budget fund (25820) allowing continued separate tracking of funds;
3. Authorize the Executive Office to allocate the funds and take any action needed to assure proper expenditure, monitoring and reporting of the allocated funds; and
4. Limit eligibility for the 2nd installment ARPA childcare funding allocation to ECE workforce applicants approved through the two-step application process, and who received wage enhancement in 2022 and continue to work in the ECE field in 2023, working directly with children in licensed centers and licensed family childcare homes in Riverside County, serving children enrolled in subsidized Early Care and Education programs that are not local education agencies or head start agencies.

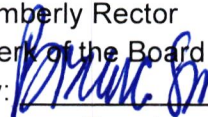
ACTION:4/5 Vote Required, Policy


Tammi Graham, EXECUTIVE DIR FOR CFC, FIRST FIVE 12/20/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: January 24, 2023
xc: First 5, E.O.

Kimberly Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$8,000,000	\$ 0	\$ 8,000,000	\$ 0
NET COUNTY COST	\$0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Federal American Rescue Plan Act (ARPA) Funding			Budget Adjustment: Yes	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) of 2021 (H.R. 1319) in to law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts.

As part of the \$362 billion in federal fiscal recovery aid for state and local governments, \$65.1 billion is provided in direct aid to counties. Riverside County’s share of the American Rescue Plan funding is \$479,874,599, of which the first installment of \$239,937,299 was received on May 10, 2021, and the second installment in the same amount was received on June 6, 2022. The funds must be obligated by December 31, 2024 and expended by December 31, 2026.

An initial recommended allocation plan was provided to the Board for discussion at the October 4, 2022 Board meeting (Item 3.44), prior to issuance of the Interim Final Rule.

As with the first year allocation, the ARPA 2nd installment funding allocation established general fund categories, and individual projects. This allocation sets aside county-wide ARPA funding for the following:

- County Departments Response - \$18 million: The funding will support departmental pandemic response and county-wide efforts to bolster resiliency.
- Emergency Resilience/Shelters - \$10 million: The funding will support the expansion of the emergency shelter system at a county-wide level. The County has greatly expanded its emergency shelter capacity through Project Room Key and the deployment of \$30 million in one-time HUD funding for emergency shelter related services. With funding for both projects set to expire this year, the proposed allocation is critical to continue providing sheltering services.

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- Economic Recovery - \$8 million: This funding will support county-wide impacted industries, such as regional tourism recovery, business ecosystem support, and small business incubator programs.
- Child Care - \$8 million: The funding will support Early Care and Education (ECE) for workforce retention and recruitment and provide a second year of funding subsidy as a bridge until the State increases reimbursement rates.
- Workforce Development \$5 million: This funding category supports the expansion of transitional job programs, expanded nursing programs, and other various apprenticeship programs and training initiatives to support both private and public sector career pathways.

Through the investment plan proposed herein, First 5 Riverside County and the Executive Office are recommending that ARPA funds be used to help 'bridge' the divide until additional State and Federal investments are made to provide a sustainable long-term appropriate funding stream. Additional funding for the Early Childhood Education Recovery Fund will support the resilience of the overall economy by allowing more parents to access early care and education (childcare) so that they are able to return to work after experiencing the negative impacts of COVID-19 within Riverside County. These funds are intended to leverage federal, state, and municipal investments in ECE to maximize all available resources to begin to mitigate the childcare desert that exists in Riverside County.

Riverside County is home to 434,174 children under 14 years old. Based on the Riverside County Zip Code Priority Report, 43 percent (185,850) of these children are eligible for subsidized childcare, yet only 11percent are being served. Even if there were enough subsidies for each eligible child, in a county of nearly 2.5 million residents, there are not enough teachers or facilities to meet the growing demand for licensed childcare. The need to expand childcare services has been identified by the County's Economic Recovery Task Force as one of the top issues holding back full recovery of our workforce, and therefore hampering economic recovery.

The need for increased State and Federal funding for childcare is broadly recognized, and there are legislative efforts underway to increase funding at the State and Federal levels. These legislative initiatives are essential to increasing on-going funding streams to be able to expand the workforce in this critical sector.

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The \$8,000,000 ECE Recovery Fund would be distributed as follows:

- \$8,000,000 to the ECE Workforce through one-time payments for current staff that qualified for total wage enhancement from first installment of ARPA funds. This funding will be disbursed to the ECE Workforce from First 5 Riverside County utilizing an existing payment processing structure.

Impact on Residents and Businesses

Early Childhood Education providers operate as small businesses. Therefore, this allocation will also support the recovery of the small business sector. These funds will support the urgent need for recruitment and retention of the ECE teachers and providers who contribute to the revitalization of Riverside County's economy.

ATTACHMENTS:

1. ARPA 2nd Installment Infographic
2. Schedule A


Heydee Koury, Sr Accountant - Auditor 12/22/2022


Brianna Lontajo, Principal Management Analyst 12/27/2022


Ronak Patel, Deputy County Counsel 12/20/2022

Riverside County Children & Families Commission – First 5

SCHEDULE A

ARPA (American Rescue Plan Act)

Fiscal Year 2022/2023

Budget Adjustment

Revenue

Increase Revenue:

25820-938001-763520	Fed-American Rescue Plan Act	\$	8,000,000
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Appropriation

Increase Appropriation 2:

25820-938001-527780	Special Program Expense	\$	8,000,000
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Approved by:

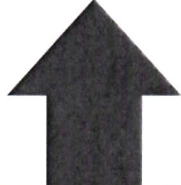


Tammi Graham, Executive Director
First 5 Riverside County
CFARC – Riverside County Children & Families Commission

2nd Installment

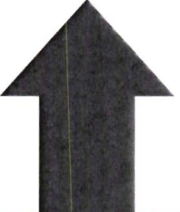
ARPA Proposed Alloc

**County-Wide
Allocation
\$49 million**



- County Department Respo
- Emergency Resilience/She
- Economic Recovery— \$8 m
- Child Care— \$8 million
- Workforce Development—

**ARPA Allocation by District
(\$33 million per district)
\$165 million**



- Infrastructure (water, sewer
- Housing and Homelessnes
- Workforce Development
- Business Revitalization
- Neighborhood Revitalizati
parks, libraries, etc.)
- Child Care Facilities