

Dear Providers,

The **ARPA Round 2 Expenditure Survey** been released and **is in production**. The amounts listed in the Round 2 Survey show the full amounts of the Round 2 grants, including Round 2 Final (A) and Round 2 Final (B). The expenditure survey has the same look/feel as the ARPA Round 1 Expenditure Survey. The most important differences for this survey as opposed to Round 1, are that providers can only submit **ONE** expenditure survey and **coalitions are required to either approve it or return for edits** if need be.

If you answered ‘**yes**’ on the Round 2 application to the question below, you received an additional 10% of grant funds as you agreed to spend **at least 25%** of the grant amount on staff **to increase wages and benefits**. As explained in the **Child Care Stabilization Subgrant Spending Documentation Guide**, these expenses **must go above and beyond regular payroll and benefits**.

<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Workforce Investment Bonus</b> Provider agrees to use at least 25% of total grant amount on staff (bonuses, wage increases, health care costs, retirement, educational advancement, or tuition reimbursement)	10%
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To clarify questions we have received regarding how to separate regular the payroll and benefits from the workforce initiative bonus, below is an example of the differences.

- The workforce investment bonus 25% cannot be backdated prior to receipt of the Round 2 grant funds.
- If a staff member was making \$10.00 an hour and they received a \$1.00 raise, only the increase in the staff member’s salary (\$1.00 per hour) can be counted in the workforce investment bonus. If this same staff member worked 80 hours from the time that the raise was received through September 30, 2023, then \$80 could be counted towards the workforce investment bonus for this staff member.
- The remainder of the staff member’s salary can be counted towards the payroll/benefits category, for the example above, out of the 80 hours worked, the hourly rate minus the raise can be counted. In this example, this would be \$10.00. \$10.00 an hour at 80 hours would be \$800 that can be designated towards the payroll/benefits category.
- The payroll/benefits category (and all other categories minus the workforce investment bonus) can be used to reimburse your program for any prior allowable expenditures made after January 31, 2020. Still using the example above, if this same staff member was employed as of February 1, 2020, the entire salary of this staff member can be counted until the date the raise was given using the workforce investment bonus. From that point (raise increase) forward through September 30,2023, only the hourly rate minus the raise amount can be counted under salary/benefits as explained above.

To summarize above, only the portion of expenses that are the amount of the actual increase to wages/benefits can be counted towards the workforce investment bonus submitted as part of your program’s application/survey, after the Round 2 grant funds were received. Expenditures related to payment and benefits of employees that is not already being counted as part of the 25% workforce investment, can be counted under Payroll/Benefits and other Personnel Costs. These amounts can also be backdated for allowable expenditures made after January 31, 2020. Please refer to the **Child Care Stabilization Subgrant Spending Documentation Guide** for examples and acceptable backup documentation.

Under the **ARPA Stabilization Subgrant Awarded** section of the expenditure survey, you will be able to see the total amount of Round 2 funds received under the **Total Round 2 Award Amount**. This is the amount that will need to be categorized under the **Section 1. Funds Utilization** section of the survey. This is also the amount that

would need to be used to calculate the 25% of grant funds if you checked 'yes' to the workforce investment bonus.

If 100% of the grant funds are not designated as spent in one or more of the listed categories, you will see under the **ARPA Stabilization Subgrant Awarded** section of the survey an amount listed that **you will owe back** to the ELC/ECS by the given deadline, under **Amount Owed Back to the Coalition**.

**ECS designated staff will be reviewing submitted expenditure surveys to verify the following:**

- 100% of grant funds have been reported as spent.
- If any funds are showing under the **Amount Owed Back to the Coalition**, this will be sent back to the provider to verify the amount listed is correct and intentional as those funds will be required to be returned to ECS via check (made out to ECS) or wire by the survey deadline. Note: All payments need received by ECS by the given deadline.
- Amounts listed as spent do not exceed the overall Round 2 grant amounts received as shown under Total Round 2 Award Amount.
- If you checked 'yes' to the workforce investment bonus, at least 25% of the total amount of Round 2 funds are shown as being spent under the workforce investment category.

If any of the items above do not match, your Round 2 Expenditure Survey will be returned to you for edits and will be required to be resubmitted by the deadline. If the amounts originally listed are correct, please email the ECS staff member that contacted you to let them know that you will be returning funds.

While the deadline has been previously reported multiple times as **October 31, 2023**, an extension has now been granted to have the new deadline as **November 30, 2023**. This new deadline is for both Round 1 and Round 2 surveys. After this date, the **surveys will be unavailable to complete or revise**.

The reason for this extension is due to DEL being notified that many providers have not reported the correct amount as instructed with the workforce initiative amount on the Round 1 survey. To ensure accurate numbers are reported, the DEL developers will be making modifications to the Round 1 expenditure report, allowing providers to complete a new survey, as well as enter negative numbers within any of the categories to balance out the reporting amounts. Designated ECS staff will also be reviewing these surveys once the modifications to the Round 1 survey have been complete. Development will begin on this survey ASAP and communication will be sent out once the changes are released into production.

Thank you,  
Brittney Spangler  
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