



MEETING OF JANUARY 31, 2023

TO: Mayor Jordan and City Council
THRU: Susan Norton, Chief of Staff
FROM: Steven Dotson, Internal Auditor
DATE: January 19, 2023
SUBJECT: **Childcare Assistance Program**

RECOMMENDATION:

Staff recommends approving an additional \$1,000,000.00 to the Childcare Assistance Program and approval of a budget adjustment.

BACKGROUND:

Per Resolution 291-22, a City of Fayetteville Childcare Assistance Program was established in the amount of \$500,000.00 at the 12/6/2022 Council meeting, using the American Rescue Plan Act award as the funding source. Due to the large number of Childcare Assistance Program applications received by the City, Staff is recommending an increase to the level of funding for this program of \$1,000,000.00, which would provide total program funding in the amount of \$1,500,000.00.

This program will assist with childcare expenses for low to moderate income families that are facing financial challenges due to Covid-19. Studies conducted at the University of Oregon documented that lower-income families were more uncertain than higher-income families about their ability to return to pre-pandemic child care arrangements as the economy reopens, with almost half of the lower-income households reporting that they either couldn't return or were uncertain they could, compared with only a quarter of higher-income households.

The program will be administered by the Community Resources Department staff, who will perform program outreach to the community, process applications, and assess eligibility of program applicants. Community Resources will maintain documentation on program participation and processing of monthly payment of childcare assistance to Fayetteville licensed childcare facilities. Community Resources staff will also perform monitoring procedures to ensure program compliance and perform required reporting.

DISCUSSION:

This funding increase will provide additional childcare assistance for low to moderate income families that live, work, or go to school in the City of Fayetteville.

Mailing address:

113 W. Mountain Street
Fayetteville, AR 72701

www.fayetteville-ar.gov

BUDGET/STAFF IMPACT:

This request will be funded by approval of the attached budget adjustment for \$1,000,000.00, which will be appropriated from the American Rescue Plan local recovery grant received by the City.

ATTACHMENTS: SRF 2023-363, 2023-363 BA Childcare Assistance addtl