

# FAQ:

## How Federal COVID-19 Response Bills can Support Afterschool Opportunities

*NOTE: This FAQ was produced using questions from the audience during the Afterschool Alliance's webinar of the same title which took place on April 7, 2020. The recording of the webinar and related resources can be found [here](#).*

### **How will CARES funds be distributed at each state? What is the role of state Departments of Education? And what do afterschool organizations need to do in order to ensure funding is used for afterschool and summer programs?**

- At the state level, state education agencies will be distributing funds to school districts based on the Title I formula. Afterschool organizations will need to make the case to local school districts that they can be a partner for summer and afterschool programming this summer and fall. Here is a link to how much each state will be allocated through the CARES Act:  
<https://www.cbpp.org/research/state-budget-and-tax/how-much-will-states-receive-through-the-education-stabilization-fund>

### **When looking at the guidelines in the CARES Act, it mentions retaining 90% of staff, is that an optional portion of the non-profit large organization or is that standard to receive this grant?**

- There are many elements of the CARES Act, one of which is an \$454 billion Exchange Stabilization Fund that can be used for low interest loans to midsized businesses and non-profits between 500-10,000 employees and requires retaining 90% of staff through Sept 30<sup>th</sup>, 2020. The language in the law is as follows:
  - *"the agreement provides that, until September 30, 2020, the eligible business shall maintain its employment levels as of March 24, 2020, to the extent practicable, and in any case shall not reduce its employment levels by more than 10 percent from the levels on such date".*
- There are also other loans available that smaller (500 or fewer employees) businesses and non-profits can take advantage of, such as the [Paycheck Protection Program](#) which provides a forgivable loan for an 8 week period that will be reduced in proportion to any staff reductions or decreases in wages over 25%. You can see a summary of these resources at the National Council of Non-Profits [here](#).

### **How can programs access the grant money to pay childcare employees hazard pay? Or did I not understand that correctly?**

- To the best of our knowledge, it appears that states make these determinations. The most relevant information we could find is the following text, which can be found in the Q&A from OCC:
  - *Q: Can Lead Agencies provide "hazard pay" for providers that remain open and care for children during COVID-19 situation?*

- *A: Yes, Lead Agencies can provide hazard pay to providers that remain open during COVID-19. We encourage Lead Agencies to take steps to assure that the hazard pay reaches staff actually providing care for those providers. Lead Agencies should ensure that payment practices for each type of provider reflect generally accepted payment practices in order to ensure that families have access to a range of childcare options. Lead Agencies may consider additional policies that are fair to providers and promote the financial stability of providers in response to COVID-19.*

**Relating to Pandemic EBT, some states are having issues compiling the data necessary to identify FRPL households who are not SNAP recipients, often due to decentralized data collection and/or management. Do you have any tools or tips for addressing this issue?**

- Ideally states will be able to draw on existing data for as many eligible families as possible and minimize the number that must apply. Options could include drawing on the existing direct certification system for school meals, the student data available at the state level, and other data sources that could provide a path for providing benefits to families who do not participate in SNAP. More information can be found [here](#) or by [emailing Clarissa](#).

**What portion of the new funds could potentially be directed to the after-school programming and summer programming that is provided directly by libraries?**

- If a library is structured as a non-profit, then the Every Library organization has a [great resource](#) of how many of the funding sources mentioned in the webinar can be used in its work, including the Paycheck Protection Program. Additionally, if a library is part of a local government, the bill establishes in Sec. 601 a Corona Virus Relief fund with \$150 billion for direct funding to states, tribal entities and local governments (defined as areas- counties, boroughs, parishes, towns, etc., with populations greater than 500,000). The Education Stabilization Fund in the legislation provides \$13.5 billion for educational supports as well, which can also be tied in to the afterschool and summer work.

**Is there any support for for-profit organizations or just 21st century and non-profits???**

- Small for-profit businesses can apply for support through the [Paycheck Protection Program \(PPP\)](#) which passed as part of the CARES Act. The PPP can provide small businesses (as well as nonprofits) with the resources they need to maintain their payroll, hire back employees who may have been laid off, and cover applicable overhead. Additionally, the Small Business Paycheck Protection Program established by the CARES Act, and implemented by the [Small Business Administration](#) with support from the Department of the Treasury, provides small for-profit businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities.

**Is the District of Columbia included in the Governor's Discretionary Fund?**

- Yes. While in other sections of the larger CARES Act DC was grouped separately from states, for the Education Funds, DC and Puerto Rico are treated as states. According to an estimate by the [Congressional Research Service](#), the District of Columbia will receive an allocation of \$5.8 million for the Governor's Discretionary Fund.

**The Paycheck Protection Program application asks for the applicant's number of FTE staff. How should organizations calculate their FTE if staff work 2.5-3 hours in the afternoon only?**

- Full-Time Employee is an employee who is employed on average at least 30 hours per week. Full-Time-Equivalent (FTE) Employee refers to a combination of employees, each of whom individually is not a full-time employee because they are not employed on average at least 30 hours per week, but who, in combination, are counted as the equivalent of a full-time employee. For example, two employees, each of whom works 15 hours per week, are the equivalent of one full-time employee.

**Do any of the CARES Act's grants and loans cover operational cost for those that are open and serving students of essential workers?**

- Yes. While many of the funds mentioned in the webinar can support this, the direct \$3.5 billion in additional funds for the Child Care Development Block Grant to states mentions this type of work specifically and can be a good place to start.

**Do service providers need to make the case to local school districts in order to receive funds?**

- Local school districts will receive at least 90% of CARES Act K-12 education funds by formula, so advocates of afterschool and summer learning will need to make the case that the funds should be spent in part to support students' learning afterschool and during the summer. And as you make the case don't forget that "planning and implementing activities related to summer learning and supplemental afterschool programs" is explicitly mentioned in the law.

**What resources exist to help private afterschool programs?**

- Private, for-profit, and nonprofit afterschool providers can apply for support through the [Paycheck Protection Program \(PPP\)](#) which passed as part of the CARES Act. The PPP can provide small businesses (as well as nonprofits) with the resources they need to maintain their payroll, hire back employees who may have been laid off, and cover applicable overhead. Additionally, the Small Business Paycheck Protection Program established by the CARES Act, and implemented by the [Small Business Administration](#) with support from the Department of the Treasury, provides small for-profit businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities.

**Do programs need special insurance to provide child care during pandemic?**

- This is a state level issue that varies from state to state. We recommend checking with both the state agency that administers child care in your state as well as the state agency that oversees and regulates the insurance industry in your state.

**Will funds from the Paycheck Protection Program be forgivable even if an organization doesn't bring staff back right away?**

- Reductions in employment or wages that occur between February 15, 2020 and April 26, 2020 (as compared to February 15, 2020) shall not reduce the amount of loan forgiveness IF by June 30, 2020 the business/nonprofit hires the employee back and/or restores wages. Consult the Small Business Administration for more details: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

**If a non-profit is participating in the Paycheck Protection Program, does that preclude the program from requesting the after-school programming funds from our school district?**

- This is a grey area but there is nothing in the law that appears to prevent a nonprofit or for profit from applying for the Paycheck Protection Program while also partnering with local school districts to access programming funds.