SPARK Taskforce

Round III Prioritization

9/9/2020

Agenda

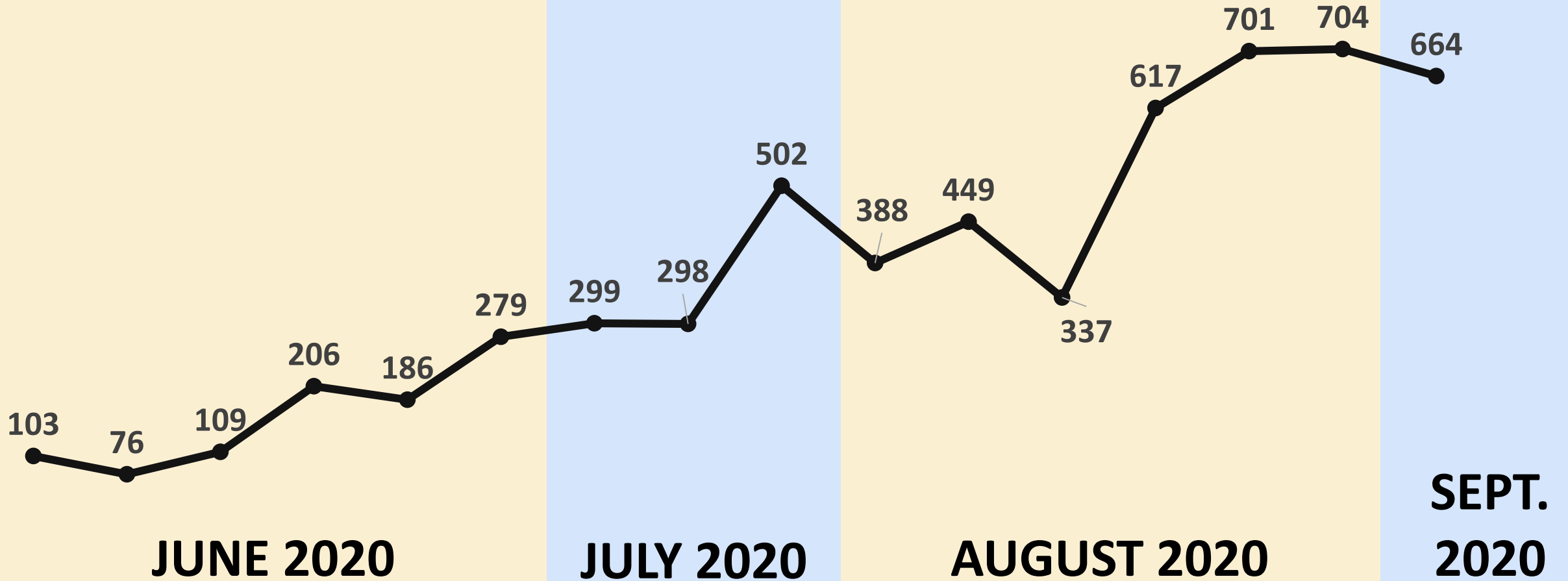|	
1. Opening Comments	**Lyle Butler**, *Chair*
2. Proposed Round 3 Approach	**Julie Lorenz,** *Executive Director*
3. Statewide Testing Strategy	**Dr. Lee Norman,** *KDHE Secretary*
4. State Agency Proposal Overview	**Dr. DeAngela Burns-Wallace,** *Administration Secretary* & **Dept. of Commerce**
5. Committee Input Survey	
6. Round 3 Program Parameters & Survey Results	**Julie Lorenz,** *Executive Director*
7. Recommendations	Committee Discussion
8. Adjournment	**Lyle Butler**, *Chair*

Proposed Round 3 Approach

Executive Director Julie Lorenz

What have we learned in our first 100 Days?

DAY 1	DAY 57	DAY 100
June 2	**July 29**	**Sept. 9**
1st Meeting of Executive Committee	SFC Approves Round 2 Investments	Today's meeting

Daily **New** COVID-19 Cases Reported in Kansas

Source: KDHE

JUNE 2020 · JULY 2020 · AUGUST 2020 · SEPT. 2020

103 · 76 · 109 · 206 · 186 · 279 · 299 · 298 · 502 · 388 · 449 · 337 · 617 · 701 · 704 · 664
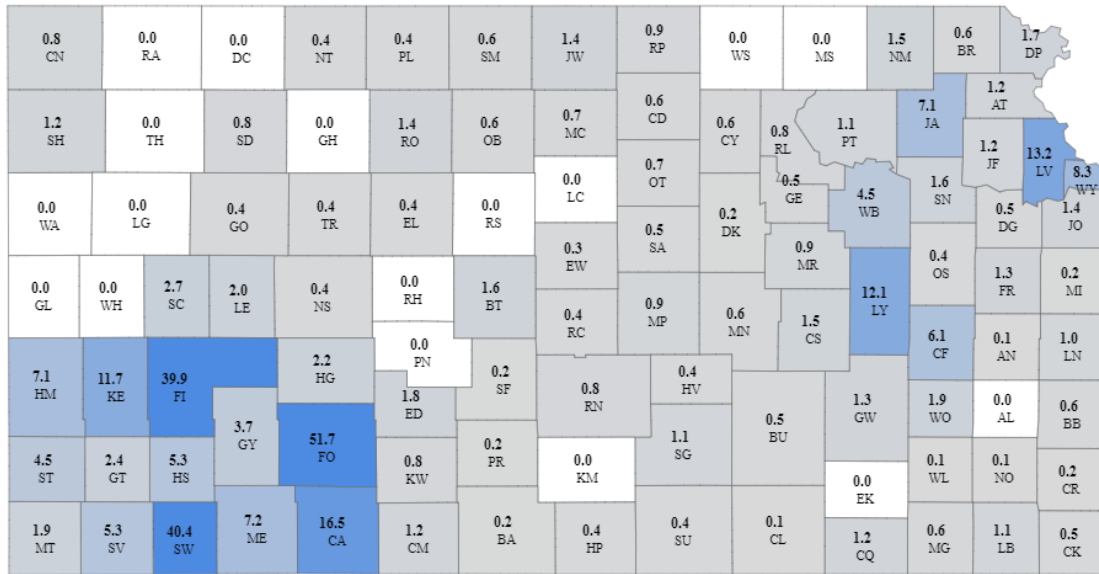
Case Rates by County

June 2020
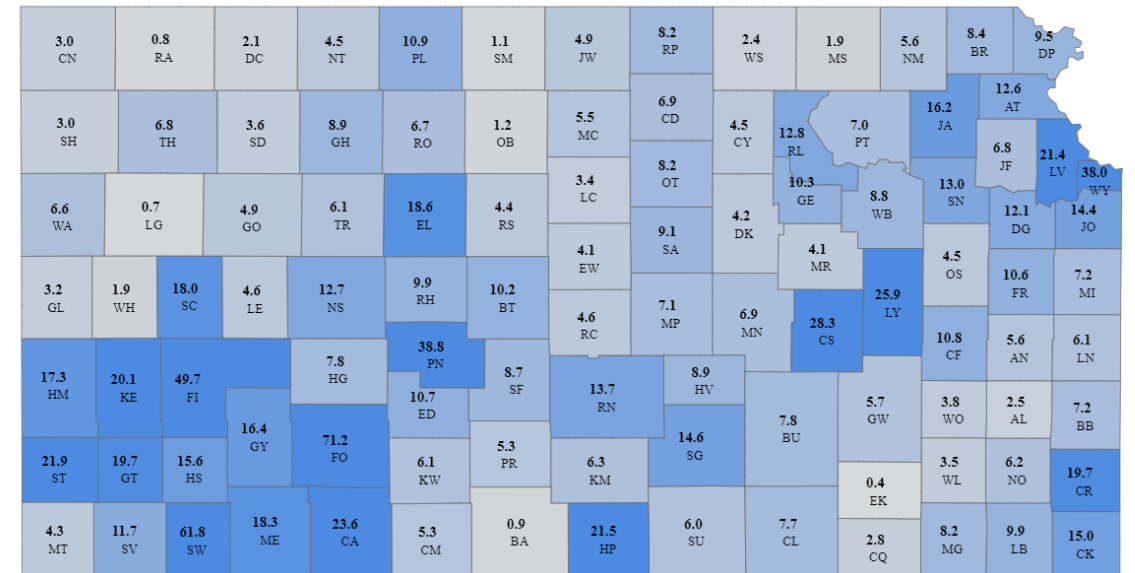
September 2020

Source: KDHE

Unemployment Rates by County
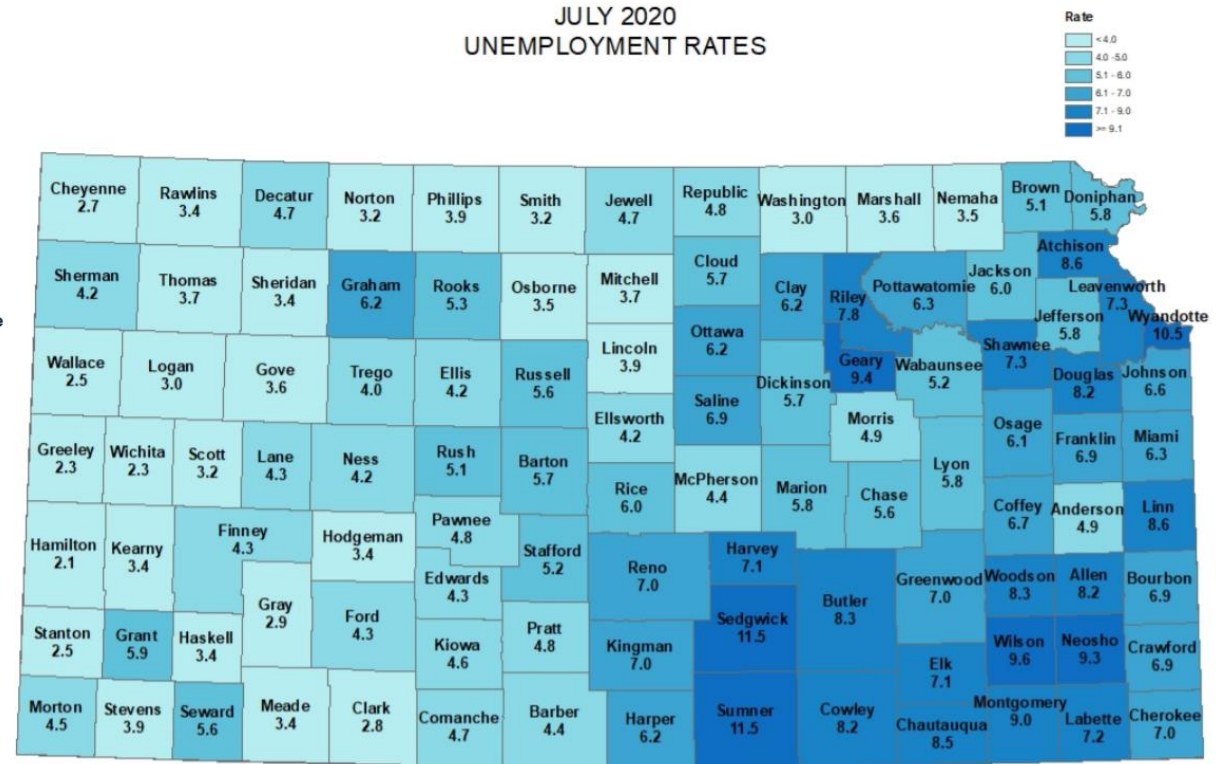
May 2020 Report

August 2020 Report

Source: Kansas Department of Labor

SPARK Process Overview

	1st ROUND:	2nd ROUND	3rd ROUND:
DISTRIBUTED:	July	August	Sept - December
RECIPIENTS:	Local Govts.	Public/Private entities	Public/Private entities
AMOUNT:	$400 M	$314 M	$290 M
Basis of Award and Benefit:	88% Population + 12% Impact	SPARK allocation to priorities	SPARK allocation to priorities
	Localized solutions to serve each county's unique needs	Statewide investments to serve education, connectivity, economic development & public health goals	Statewide investments in key areas, flexibility to target timely needs/areas hit hardest **Proposed**

Flexibility is needed to allow urgent needs to be addressed quickly; ensure all funds are utilized

Days remaining to fully implement & spend funds

ROUND 1: June 16	197
ROUND 2: July 29	154
ROUND 3: Sept. 11*	110

*pending SFC approval

How a rolling program for Round 3 could work

We're tracking all ideas submitted and they will be reviewed before all funding decisions are made

Submitter	Idea Submitted to Recovery Office	Amount Requested	Public health: (Testing and medical access)	Essential needs & services (housing, food, unemployment, safety)	Business resilience & workforce support (small business support, preservation of	Education (higher education, K-12)	Connectivity (broadband access)	Other
Google	Rent relief technical support	?		X				
Black Hills Energy	Utility assistance - LIEAP (not a proposal, more of a request that utility assistance runs through LIEAP.	-		X				
Huck Boyd National Institute for Rural Development - KSU	Remote workforce training	$261,265			X			
KS Independent College	Private college assistance	$9.5M				X		
Kansas Interfaith Action	Eviction/homelessness	$50M		X				
Renew Kansas Biofuels Association	Direct support to ag and biofuel industries (akin to Iowa's grant program)	$100M						X
Kansas Nonprofit Coalition et al	Direct support to self-insured non-profits and charities	%50 remaining relief						X
Smithyman & Zakoura	Support LIEAP and allow them to manage $ distribution.	?		X				
VMware	Help with remote work for gov't and tele-ed.	?				X		
Boys & Girls Clubs of America	Child care / educational assistance for first semester of	$1.2M				X		
Kansas State Alliance of YMCAs	Y Learning Academy- virtual/distance learning access	$40 per student/da				X		
KFB, KU Med, KEC, Communications Coalition	Make connectivity a priority in Round 3 (letter not received)	?					X	
KU School of Pharmacy	Immunize the residents of the 338 Skilled Nursing Facilities in Kansas within 12 weeks of a vaccine being made available.	$7.34M	X					
WSU	Molecular genetic active virus testing protocol using RT-PCR and saliva samples. 10,000 test processed per day & could be	$40/test	X					
Kansas Society for Human Resource Management	Direct aid to KDOL Trust Fund	$300M		X				
Shawnee Mission School								

3 Important Distinctions for Today's Discussion

Programs

1. Public Health

2. Essential Needs & Services

3. Business Resiliency & Workforce Support

Projects
(example)

- KDOL UI Stability & Support

Proposals
(examples)

- MAWD COVID-19 Testing

- Kansas Children's Cabinet & Community Partners childcare support

Rolling Approach 101

Programs	Public Health	Essential Needs	Biz Resiliency
Minimum **targets** for highly supported **focus areas** ★ ★★	COVID-19 Testing	Housing Stability	Childcare Support
Fixed costs for highly supported projects/programs ★★★	$10M KDEM FEMA Match $10M PPE for Adult Homes (HB 2016)	$30M KDOL UI Stability & Support $30M Continuity of Operations	**$5M** Commerce HIRE Fund
Reserve Fund can add more funding to **focus areas** later depending on conditions or be used towards **on-deck proposals** to ensure all funds remain in Kansas	On deck examples: PPE for schools Mental health services	On deck example: State agency reimbursements	On deck example: Small business grants

SPARK establishes investment targets for programs

Round Number Example for Simplicity

Public Health

| Testing Min. $50 M | Fixed $25 M | Reserve $25 M |

$100 M

Essential Needs

| Housing Stability Min. $50 M | Fixed $25 M | Reserve $25 M |

$100 M

Biz. Resiliency

| Childcare Min. $50 M | Fixed $10 | Reserve $30 M |

$90 M

$290M Total

Reserve can be flexible within programs depending on need

Totals

Public Health
Testing Min. $50 M | Fixed $25 M | Reserve $25 M — **$100 M**

Essential Needs
Housing Stability Min. $50 M | Fixed $25 M | Reserve $25 M — **$100 M**

Biz. Resiliency
Childcare Min. $50 M | Fixed $10 | Reserve $30 M — **$90 M**

$80M Total

$290M Total

Key points about the proposed process

- Establishing minimums and maximums ensures accountability

- Reserve fund allows for flexibility within programs to address evolving needs

- Fund usage will be monitored on an ongoing basis. If unused funds remain, they will not be reallocated to other programs without SPARK input.

Investment levels & Parameters Defined for SFC

TODAY

SPARK Taskforce
Develops invest.
levels for programs &
initial parameters.
Submit to Exec.
Committee for vote.

**TODAY/
TOMORROW**

SPARK Exec. Committee
Refines/Approves submits
to SFC for approval.

FRIDAY

State Finance Council
Reviews recommendations

With SFC approval, Recovery Office can…

IMMEDIATELY

Distribute funds for **projects** immediately, like KDOL system; PPE.

Set parameters for proposals and begin accepting applications for programs that have good agreement and are ready to go like Childcare.

THIS MONTH

Work with SPARK to fully establish proposal process and criteria for areas that need more definition. Select proposals on rolling basis.

ONGOING

Work with SPARK to monitor program balances/reserves, monitor R-1 and R-2 balances, establish "on deck" criteria and priorities.

See Appendix for more info

Cost of addressing problems depend on depth of intervention

Level of funding

	Public health		Essential need		Business resilience	
	Testing		Housing stability		Childcare	
Light	**$XM**	**2%** of the population is tested each month	**$15 M**	**4,700** Households served **4% of at risk**	**$23 M**	**25,000 children 2 days a week**
Medium	**$XM**	**5%** of the population is tested each month	**$30 M**	**9,400** Households served **8% of at risk**	**$34 M**	**25,000 children 3 days a week**
Heavy	**$XM**	**10%** of the population is tested each month	**$60M**	**18,750** Households served **16% of at risk**	**$56 M**	**25,000 children 5 days a week**

Based on DCF & Kansas Housing Resources Corp. Estimates

Based on Kansas Children's Cabinet & Community Partners Proposal

Starting Point –
Setting Investment Targets- <mark>$290 M Remaining TOTAL</mark>

	Public Health	Essential Needs & Services	Business Resiliency & Workforce Support
Fixed Cost	$10M KDEM FEMA match $10M PPE for Adult Homes (HB 2016) **$20M**	$30M KDOL UI Stability & Support $30M Continuity of Operations **$60M**	**$5M** Commerce HIRE Fund
Scalable	**$20 to $90M** COVID-19 Testing	**$15 to $60M** Housing Stability	**$20 to $60M** Childcare Support
Min. Estimate **$145M**	**$40M**	**$75M**	**$25M**
Reserve	**$XM**	**$XM**	**$XM**
Max. Estimate	**$190M**	**$225M**	**$175M**

Statewide Testing Strategies

Dr. Lee Norman,

KDHE Secretary

State Agency Proposal Process

2 Types of Applications

Operational Expenditure

- ➢ Number of Applying Agencies: 32
- ➢ Total amount of CRF requested: **$19,709,521**

Project Proposals

- ➢ Number of Applying Agencies: 21
- ➢ Number of Project Requests: 41
- ➢ Total Amount of CRF Requested: **$112,628,926**

Categorization of Project Application Requests

Additional Staff Support: 3%
Community Support: 45%
COVID-19 Testing and Contact Tracing: 17%
Distance Learning: 0.2%
Technology- Teleworking: 2%
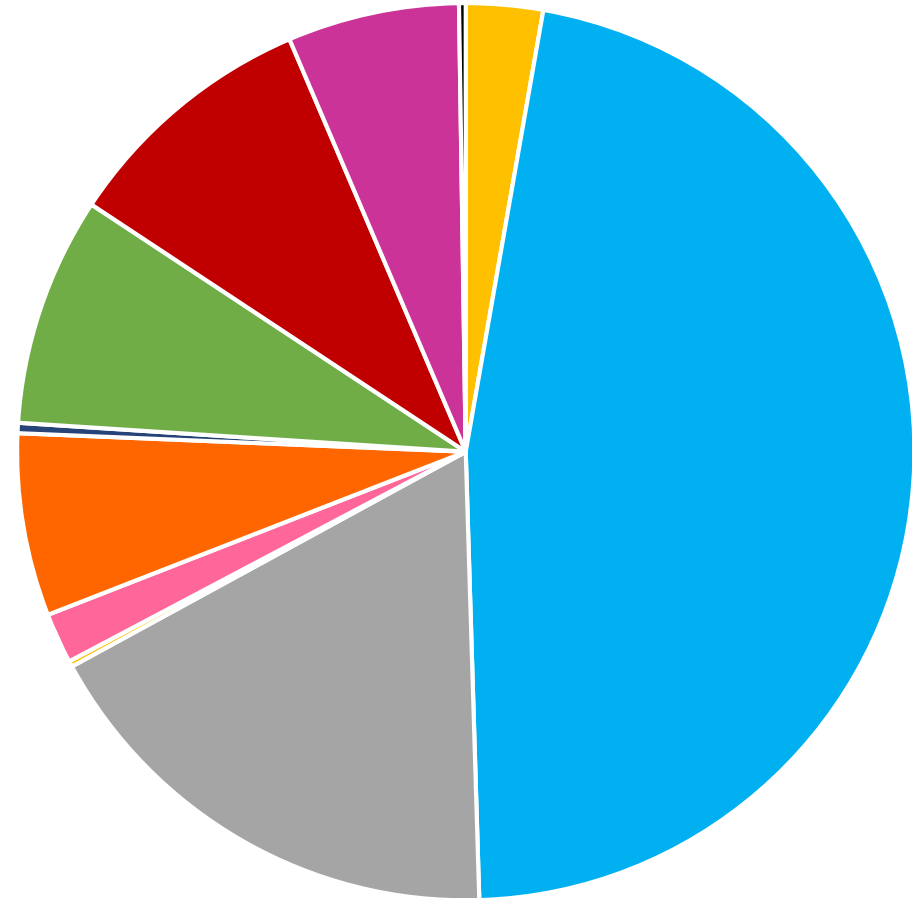**Technology- Public Access/Support:** 6%
Technology- Public Safety: 8%
Technology- Communications: 0.6%
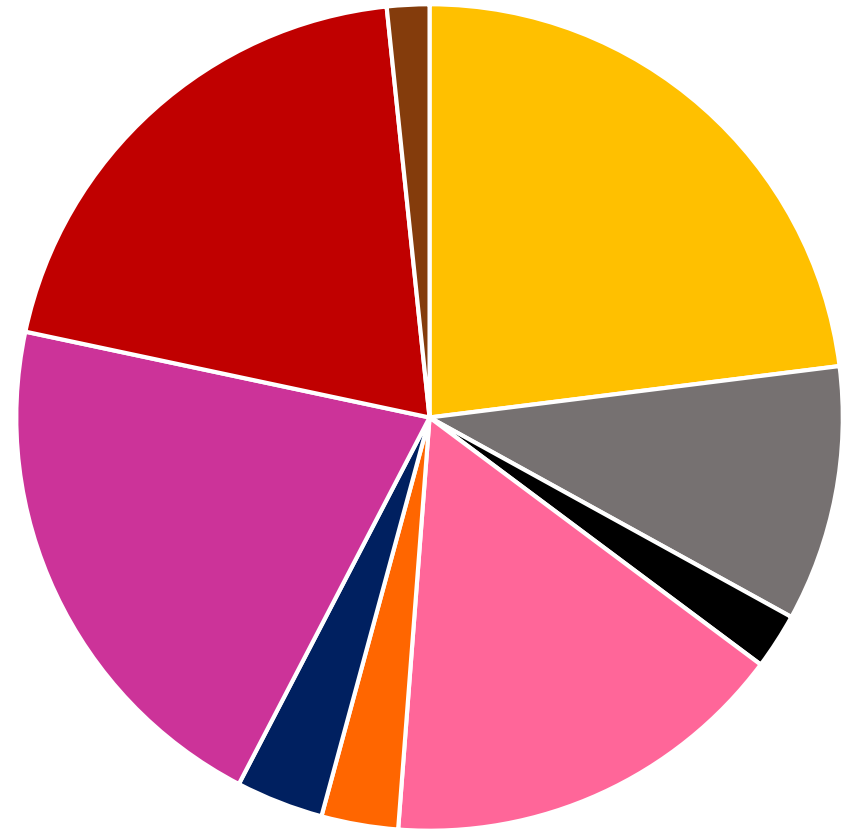**Public Health:** 6%
Public-PPE: 12%
Other: 0.2%

Categorization of Operational Expenditure Requests

Additional Staff Support: 23%

COVID-19 Testing and Contact Tracing: 10%

Distance Learning: 2%

Technology- Teleworking: 16%

Technology- Public Access/Support: 3%

Technology- Communications: 3%

Public Health: 21%

Public-PPE: 20%

Other: 2%

State Agency Continuity of Operations $30 million fund (proposed)

Award Consideration

- Alignment with SPARK Priorities
  - Public Health
  - Essential Needs
  - Biz Resiliency
- Need addressed
- Impact to Kansans

Exempted

- Testing related
- FEMA Eligible Programs
- Non-Eligible Expenditures

	Public Health	Essential Needs & Services	Business Resiliency & Workforce Support
Fixed Cost	$10M KDEM Expenses FEMA match $10M PPE for Adult Homes (HB 2016) **$20M**	$30M KDOL UI Stability & Support $30M Continuity of Operations **$60M**	**$5M** Commerce HIRE Fund
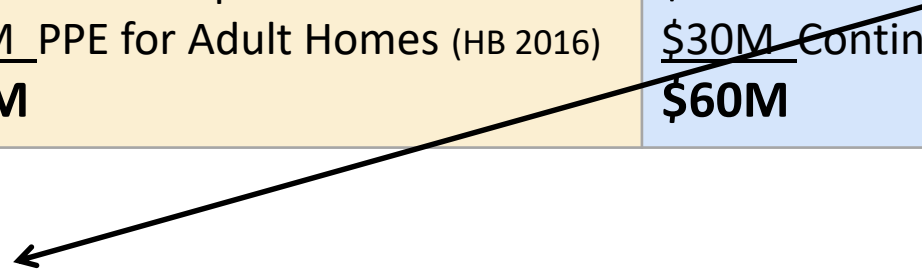
$30M KDOL UI Stability & Support

- systems analysis & technical support for system stability
- enhanced fraud identification and mitigation efforts
- staff surge support to handle the increased customer service demands

HIRE Fund Update

Kansas Department of Commerce

HIRE Fund

- On March 20th, as the full force of the crisis was hitting Kansas, one of the first actions the Department of Commerce took was to launch the HIRE Fund to support the state's hospitality businesses.

- Commerce partnered with NetWork Kansas to provide $5 million in short-term, zero-interest loans for Kansas' hospitality sector during the COVID-19 crisis.

- The $5 million in funding for HIRE came from the Job Creation Fund (JCF), the State's deal closing fund.

- While this was a different use of JCF, because of the flexibility in statute, it allowed Commerce to act quickly when the State's businesses needed it most.

BACK *to* BUSINESS

HIRE Fund

- Almost 900 applications were received within the first 24 hours.

- 1,800 applications have been received to date.

- HIRE Funds were distributed in the following manner:
  - 344 loans were allocated with an average loan amount of $14,500
  - Douglas, Johnson, Shawnee and Wyandotte counties: **$2 million to 136 businesses**
  - Sedgwick County: **$1 million to 68 companies**
  - Rest of State: **$2 million to 140 businesses**

BACK *to* **BUSINESS**

Committee Survey

Julie Lorenz,

Executive Director
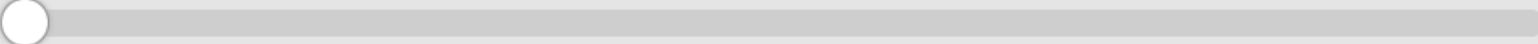
Min/Max defined below informed Survey

	Public Health	Essential Needs & Services	Business Resiliency & Workforce Support
Fixed Cost	$10M KDEM FEMA Match $10M_ PPE for Adult Homes (HB 2016) **$20M**	$30M KDOL UI Stability & Support $30M_ Continuity of Operations **$60M**	**$5M** Commerce HIRE Fund
Scalable	**$20 to $90M** COVID-19 Testing	**$15 to $60M** Housing Stability	**$20 to $60M** Childcare Support
Min. Estimate	**$40M**	**$75M**	**$25M**
Reserve	**$XM**	**$XM**	**$XM**
Max. Estimate	**$190M**	**$225M**	**$175M**

3. What do you think should be the maximum investment in the total Public Health program? **Note: The total for all three programs can not exceed $290 million. (Questions 3 - 5).**

$40 Million $190 Million

4. What do you think should be the maximum investment in the total Essential Needs and Services program? **Note: The total for all three programs can not exceed $290 million. (Questions 3 - 5).**

$75 million $225 million

5. What do you think should be the maximum investment in the total Business Resiliency & Workforce Support program? **Note: The total for all three programs can not exceed $290 million. (Questions 3 - 5).**

$25 million $175 million

You can set your own limits

Instructions

1. Survey link emailed to you

2. Once completed, feel free to take a short break

3. Results provided later

Round 3 Parameters & Survey Results

Julie Lorenz,

Executive Director

Recommendations

Committee Discussion

Appendix

Childcare / Children's Cabinet and Trust Fund Partners

All In For Kansas Kids

Access to Quality Care and Remote Learning Support for School-age Children

SPARK Committee   9/4/2020

BACKGROUND

2019 **Comprehensive Needs Assessment**

➤ **Key Themes:**

- The experiences of Kansas families are **shaped by where they live**, both across the regions of the state and within their communities.

- Children are growing up in families where **basic needs are not being met.**

All In For Kansas Kids 5 year Strategic Plan

All In For Kansas Kids

Kansas Children's Cabinet and Trust Fund Partners:

➤ Kansas Department of Health and Environment
➤ Kansas Department of Children and Families
➤ Kansas State Department of Education
➤ Eligible Community Partners including:
  - Licensed Child Care Providers
  - YMCAs
  - Boys and Girls Clubs
  - Parks & Recreation Departments
  - 21st Century Community Learning Centers
  - Faith-based and Other Organizations

Partnerships

KANSAS DEPT. OF HEALTH AND ENVIRONMENT

➤**Actions to address public health emergency—school-age children**

- EO 20-19 extends deadlines for licensure renewal

- Federal waivers

- Emergency child care authorizations (March 2020)

- **KDHE guidance for Academic Services to Support K-12 Remote Learning (issued 8-10-2020)**

- **SPARK Round 2** – Child Care Health Consultants to provide TA & support to help providers make adjustments due to COVID-19 (health care fund & Technology grants)

LICENSING

➤ **Actions to address public health emergency—school age children**

　➤ Hero Relief Program – Child Care Subsidy for Essential Workers

　　• Expanded to include teachers, paras, other school employees

　➤ Child Care Subsidy Waiver—Extension of summer time benefits (8-31-2020)

Child Care Subsidy

BY THE NUMBERS

District Plans & AS/OST Program Projections

490,000 K-12 students (Most recent headcount as of 2019/2020 school year)	286 School Districts	56,340 Licensed capacity for school-aged children as of 8/2020
253,529 K-6th graders	250 districts with enrollment less than 2,500 students Most operating in-person to start the year	3,670 vacancies reported Per Kansas Child Care Aware of Kansas (referral agent)
100,000 K-6th graders on free lunch Expected to rise 2020-21 school year due to COVID-19	36 districts with enrollment higher than 2,500 students Operating in hybrid/remote learning modes *2/3 of Kansas students will be in hybrid/remote modes*	14% child care facilities reporting temporary closure due to COVID -19 679 facilities - Includes 175 licensed school age/drop-in programs with total capacity for 18,879 school-age children

Round 3 CARES Act funding to ensure Quality Care & Remote Learning Support for School-Age Children

In order to quickly respond to the changing needs of schools and families, provider organizations must have access to financial resources to adapt physical environments for safe learning and have staff available to provide quality supports.

School-age Supports

DELIVERY MODEL

▶ Children's Cabinet as fiscal agent for this program

▶ Coordination with other state agencies

▶ Simple application, proposal & budget required from community providers

▶ CARES Act Accountability & compliance built into application

▶ Quick & efficient review process

▶ Technical Assistance to support applicants through the process

Kansas Children's Cabinet and Trust Fund

Potential Coverage

Days per Week	Cost per Student per Day	Number of Weeks	Number of Students	Total
2	$30	15	25,000	$22,500,000
3	$30	15	25,000	$33,750,000
4	$30	15	25,000	$45,000,000
5	$30	15	25,000	$56,250,000

QUESTIONS & ANSWERS

Share your thoughts

www.kschildrenscabinet.org/share

THANK YOU!

Melissa Rooker

Executive Director, KS Children's Cabinet

mrooker@ksde.org

THANK YOU!

Appendix
Childcare / Research

Initial findings
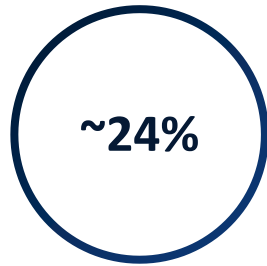
- COVID-19 Pandemic is challenging an already stretched child care ecosystem, both by shrinking financials of child care providers and by conditioning working parents
  - Since +65% of children live in a house where all parents, time out of school poses a challenge for working parents
  - 65% of children ages 5-12 will start the school year in a remote or hybrid setting
  - 14% of early child care facilities have closed, and 61% of those that remained open have seen a 40-50% attendance reduction

- Not addressing these needs, may have consequences into the economy and health of our society
  - Reducing availability and productivity of the labor force, including essential workers
  - Permanent closure of child care facilities in an already stretched ecosystem
  - Limitations in cognitive development and learning retention

- Potential policies to address child care include waiving fees for low-income families, providing financial support to child care facilities that remain open despite unfavorable financials or create additional space for families that depend on school for child care supervision

Pre-covid numbers already showed a stretched child care system in Kansas

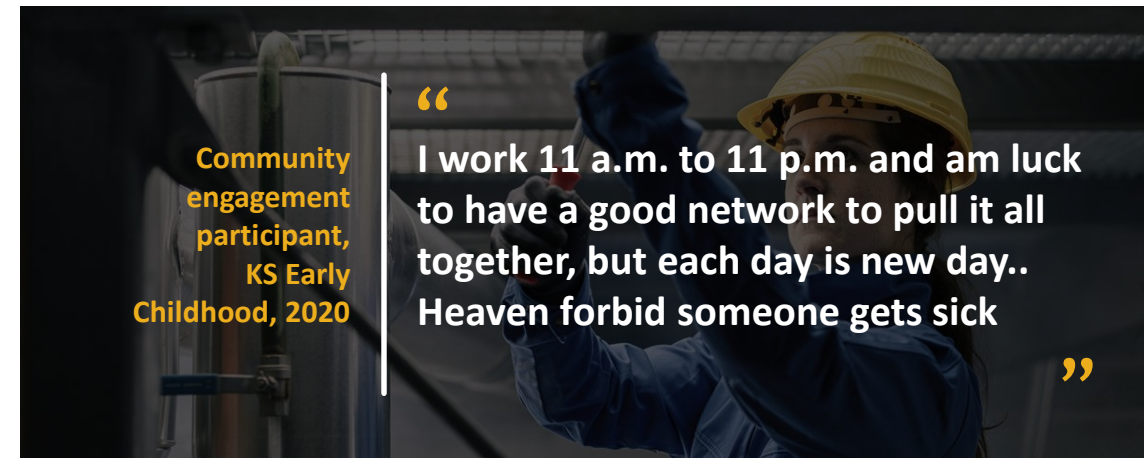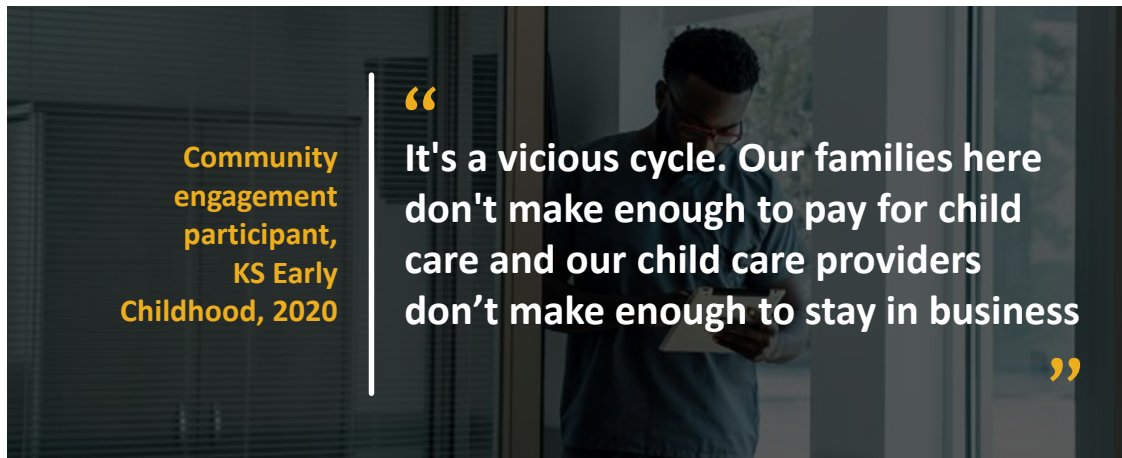**~45%**

Infants
and toddlers
live in a child care deserts

~24%

school-age
children

~20%

of children were
living in poverty even
before the pandemic

+4,500

Early **child care
facilities** in Kansas

~98%

of **rural counties lack
capacity** to meet early
child care demand

Community
engagement
participant,
KS Early
Childhood, 2020

"It's a vicious cycle. Our families here
don't make enough to pay for child
care and our child care providers
don't make enough to stay in business"

Community
engagement
participant,
KS Early
Childhood, 2020

"I work 11 a.m. to 11 p.m. and am luck
to have a good network to pull it all
together, but each day is new day..
Heaven forbid someone gets sick"

COVID-19 Pandemic is challenging the child care ecosystem, both to working families and child care providers

Child care has become a key priority since …

~40%
of workers have **children**

65-70%
of children live in households where **all parents are working**[1]

… the majority of school-age children will start school in hybrid or remote settings …

~65%
of **school-age children** estimated to start the school year in a **remote or hybrid mode**

… and there is an increasing constraint in child care capacity for children <5 years

~14%
Early child care facilities estimated to **have closed**

~61%
Facilities that remain open may risk closing as they are **facing loss of income**

Tradeoffs

💵 Economic

Limitations in workers availability and productivity, including essential workers

Unemployed population unable to rejoin the workforce due to child care needs

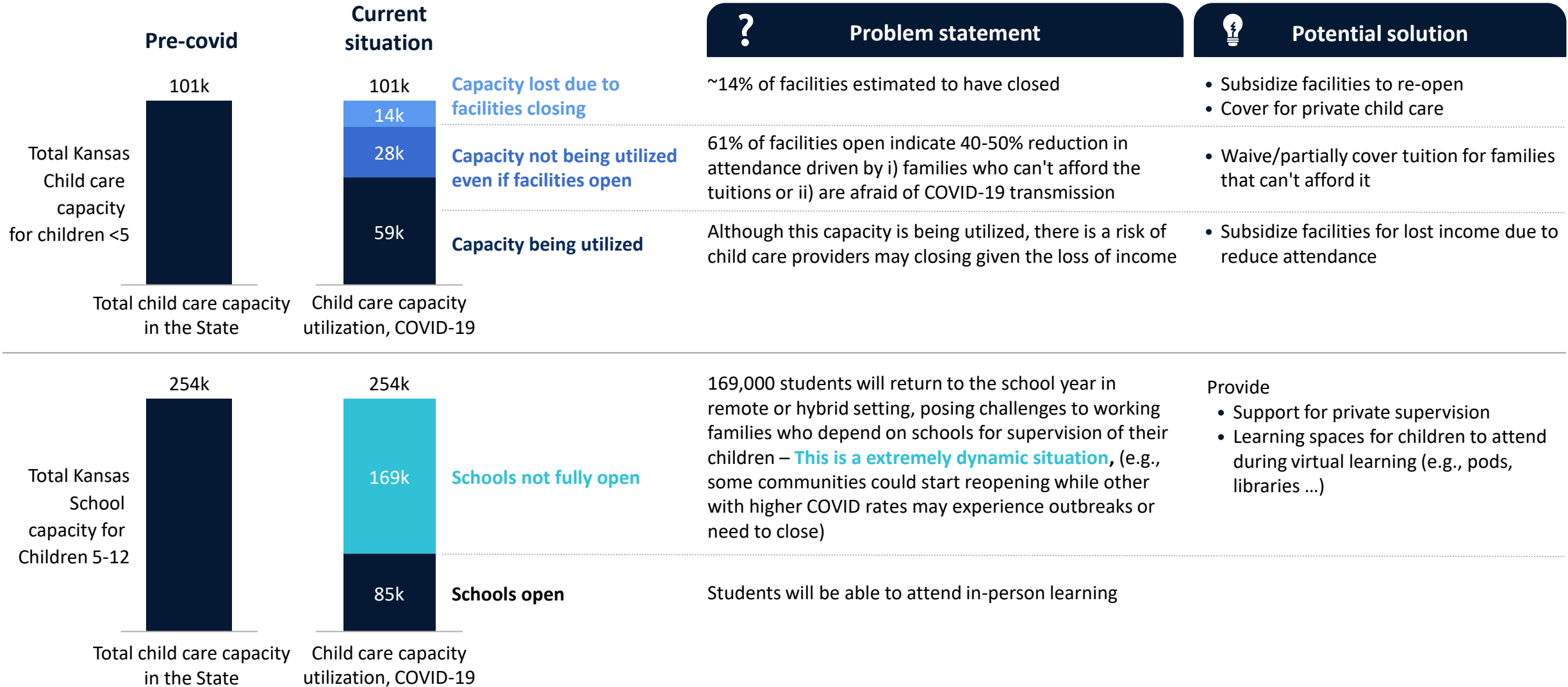Facilities may close permanently given loss of revenue aggravating capacity constraints

➕ Health

Limited cognitive development and learning retention, with 30-50% of distance learning not being retained

Snapshot of child care needs amid COVID-19

Pre-covid	Current situation	? **Problem statement**	**Potential solution**

101k

101k

14k	**Capacity lost due to facilities closing**	~14% of facilities estimated to have closed	• Subsidize facilities to re-open • Cover for private child care
28k	**Capacity not being utilized even if facilities open**	61% of facilities open indicate 40-50% reduction in attendance driven by i) families who can't afford the tuitions or ii) are afraid of COVID-19 transmission	• Waive/partially cover tuition for families that can't afford it
59k	**Capacity being utilized**	Although this capacity is being utilized, there is a risk of child care providers may closing given the loss of income	• Subsidize facilities for lost income due to reduce attendance

Total Kansas Child care capacity for children <5

Total child care capacity in the State

Child care capacity utilization, COVID-19

254k

254k

169k	**Schools not fully open**	169,000 students will return to the school year in remote or hybrid setting, posing challenges to working families who depend on schools for supervision of their children – **This is a extremely dynamic situation**, (e.g., some communities could start reopening while other with higher COVID rates may experience outbreaks or need to close)	Provide • Support for private supervision • Learning spaces for children to attend during virtual learning (e.g., pods, libraries …)
85k	**Schools open**	Students will be able to attend in-person learning	

Total Kansas School capacity for Children 5-12
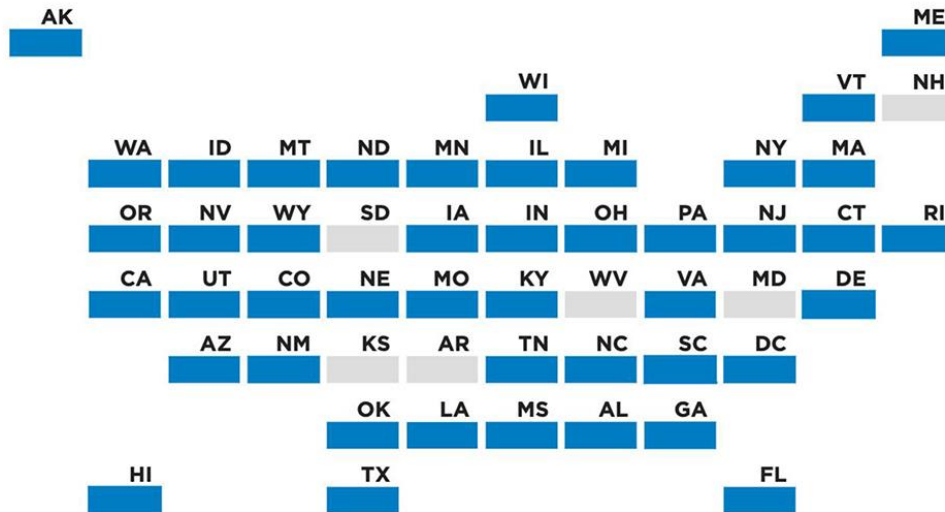
Total child care capacity in the State

Child care capacity utilization, COVID-19

A majority of states in the country have developed programs to support child care needs
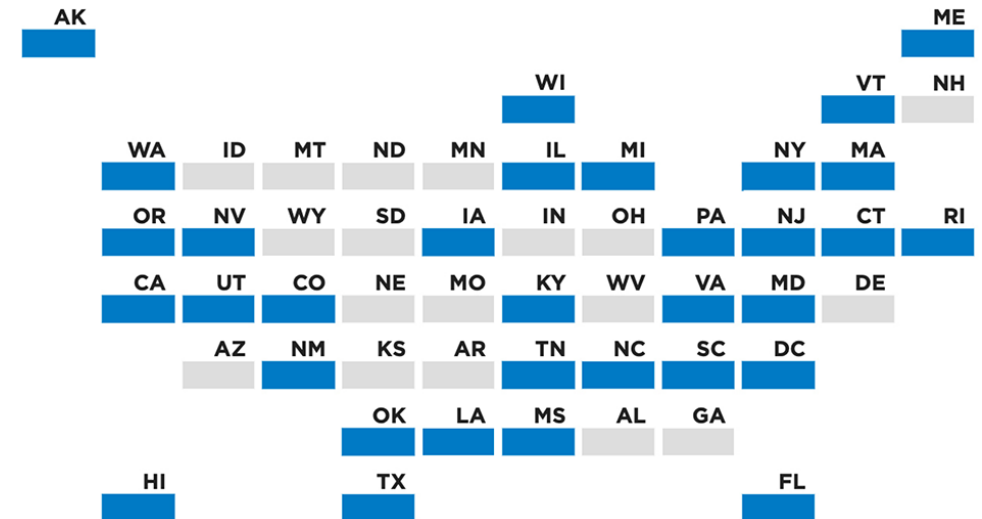
Supporting child care providers

44 states and Washington, DC are continuing to pay child care providers who accept subsidies during this period of closure or low attendance.

Supporting families

32 states and Washington, DC are waiving or covering a part of child care tuition that families may otherwise be required to pay.
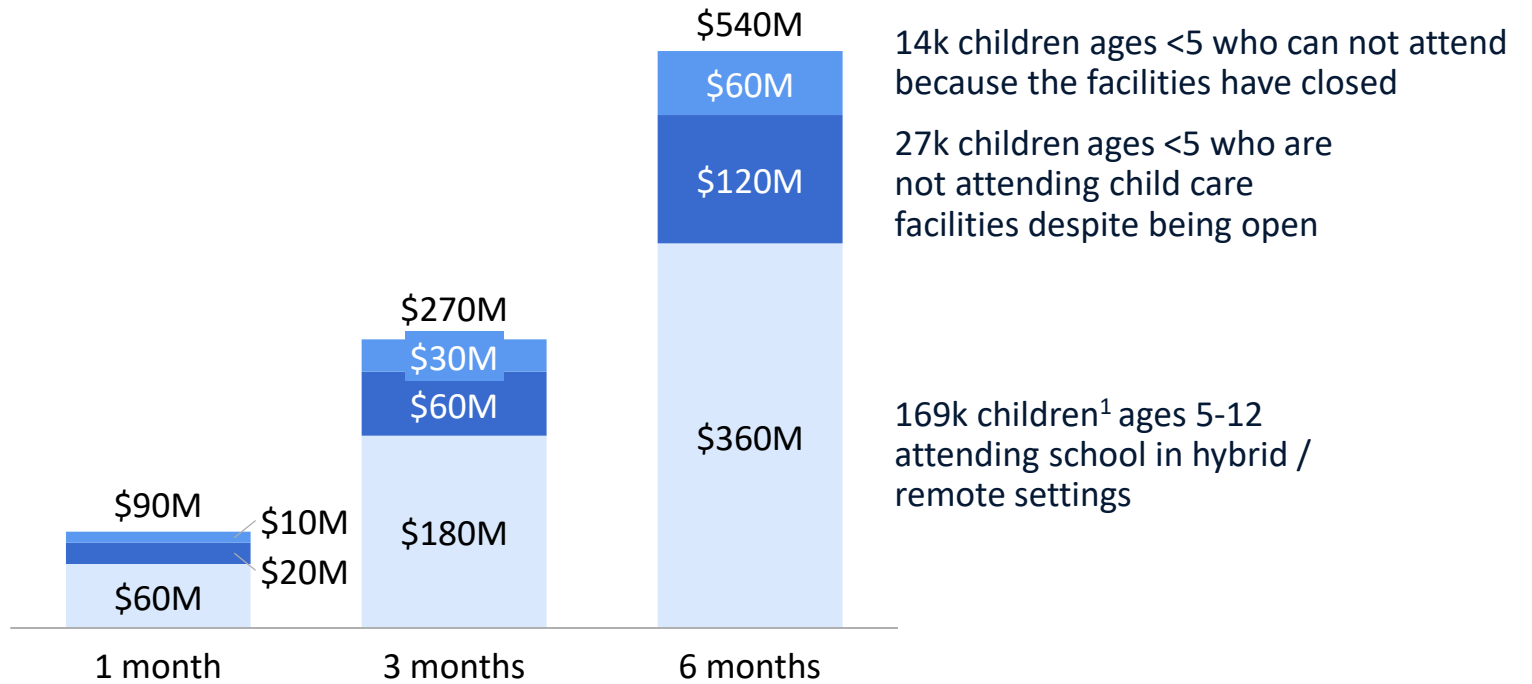
Policy options to address child care providers and families needs

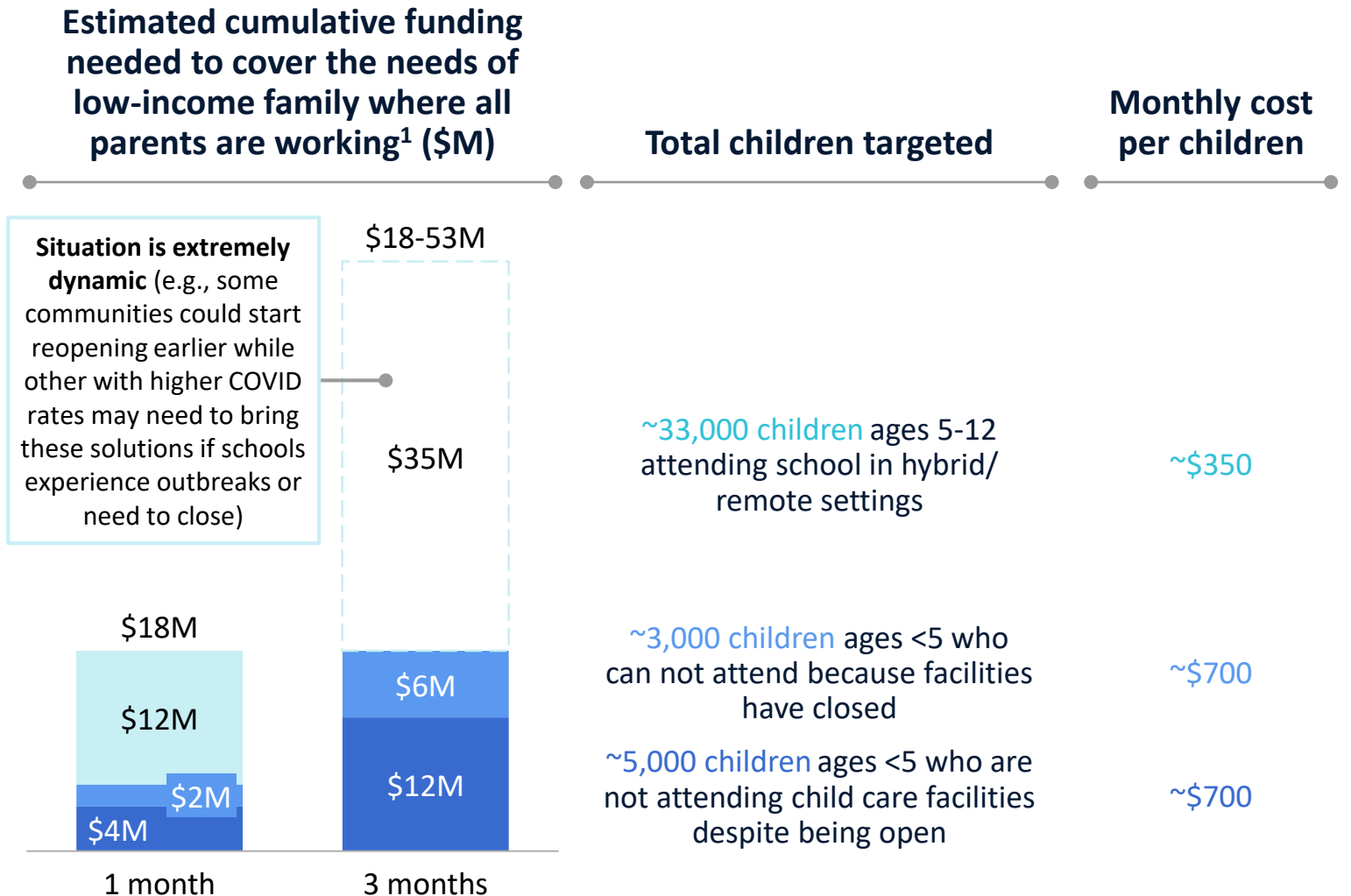|	Target	Problem(s) addressed	Delivery mechanism	Illustrative examples from other States
1	**Child care providers (ages <5)**	Capacity lost due to facilities closing Capacity being utilized but at risk of closing	• Subsidize operational costs (e.g., rent, utilities, wages) • Subsidizing equipment / supplies to ensure safe operationalization (e.g. PPE)	• Minnesota provides grants to child care providers who remain open to care for the children of essential workers • North Carolina is providing bonus pay for child care staff providing services during CV19
2	**Families (economically impacted by COVID-19)**	Capacity not being utilized even if facilities are open due to financial constraints in family	Waiving or covering a portion of child care tuition Can be addressed as paycheck/ direct transfer to families or through transfer to the child care providers	• Washington state is waiving all fees for families who receive subsidies for the months of April-June • Arkansas has developed a Grant program to help cover the cost of child care for some essential workers ❗ KS DCF has announced child care subsidies for low-income families
3	**Child care providers (ages 5-12)**	Capacity offered in remote / hybrid setting	Creating additional space for in-person learning to allocate students who can't stay at home Can be addressed by volunteering public spaces (e.g., libraries, sport facilities) or by building temporary buildings	• Boys & Girls Clubs of greater Houston has created a learning space where members can attend virtual classes during school hours • Boston public schools will launch learning pods for students to assist remote learning with supervision

~$270M
of funding would be needed
to address
child care needs
for children up
to 12 years old
for 3 months

Estimated cumulative funding needed to cover all child care needs ($M)

$540M
$60M
$120M
$360M

$270M
$30M
$60M
$180M

$90M $10M
$60M $20M

1 month   3 months   6 months

14k children ages <5 who can not attend because the facilities have closed

27k children ages <5 who are not attending child care facilities despite being open

169k children[1] ages 5-12 attending school in hybrid / remote settings