

Juneau Child Care Grants

Local Impact and Statewide Potential

Child Care in Alaska

Short Supply

- AKDOL reported that Alaska had five times more kids than child care spaces in 2020

Workforce Impact

- Thousands of Alaskans have reported being unable to work without child care

Broken Business Model

- The child care business model doesn't fully function in a free market economy

Grant Funding Needed

- Public investment is needed to bridge the gap between the cost of providing care and the amount families can afford to pay

Child Care Grant Program

SOA and Juneau

Child Care Grant funds assist licensed providers with operational costs associated with their facilities. Monthly reimbursement amounts are based on children's attendance and the Child Care Grant Rate Schedule.

Categories of expenditures allowable for reimbursement related to facility operation include the following:

- Staff salaries and benefits
- Health and safety costs
- Costs of supplies, equipment, and activities for children in care
- Child development education and training

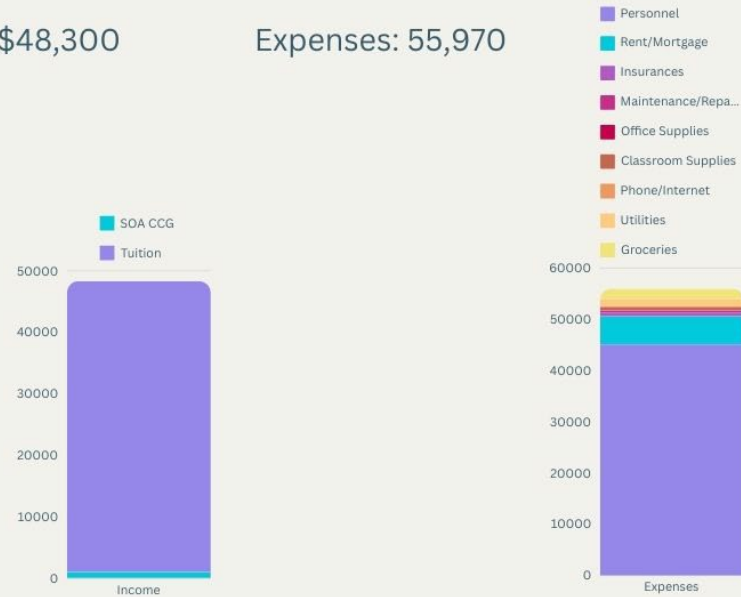
Current Monthly SOA Child Care Grant (Juneau)	Current CBJ Monthly Child Care Grant
\$34.35/child	\$400/child under 36 months
	\$100/child over 36 months
	\$100/child receiving state child care assistance
	\$600/FTE employee

Budget Impacts of Grant Funding

Stars of Gold Child Care Center –Care for 40 Children Sample Monthly Budget for a Program **Outside** of Juneau

Income: \$48,300

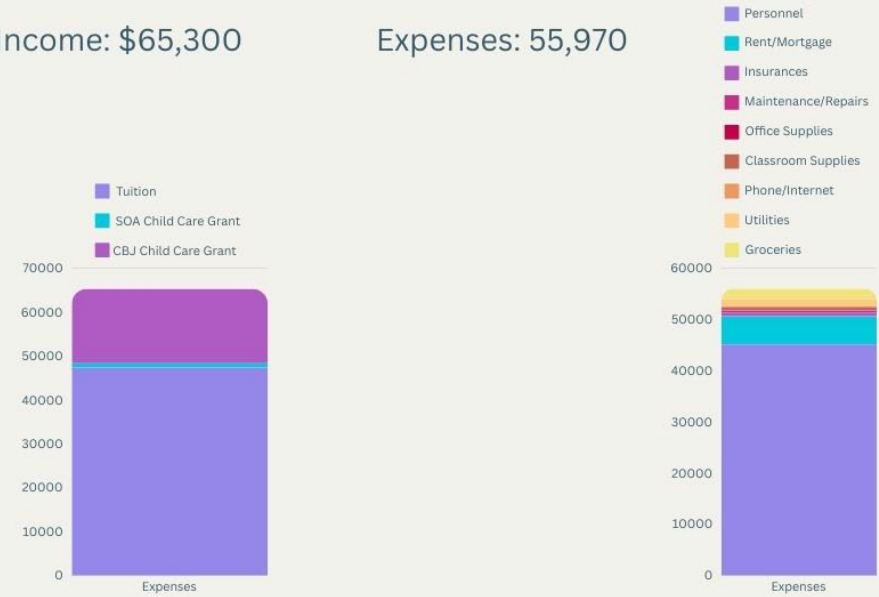
Expenses: 55,970



Stars of Gold Child Care Center –Care for 40 Children Sample Monthly Budget for a Program **In** Juneau

Income: \$65,300

Expenses: 55,970



Outcomes in Juneau

- ▶ Starting wages have risen to \$18-\$25/hour DOE
- ▶ Reduced employee turnover rates
- ▶ Professional development is incentivized, leading to 30% of the workforce having a credential; improving the quality of care
- ▶ With grant funding, the business model is functional, programs are expanding, and new businesses are opening
- ▶ Unspent funds are held and used as expansion and start-up grants

If funding for the SOA child care grant program was augmented, similar results could be reproduced statewide.