



Office of Children and Family Services

KATHY HOCHUL
Governor

SHEILA J. POOLE
Commissioner

October 12, 2022

Dear Stabilization 2.0 Awardee:

Your program recently received NYS OCFS Child Care Stabilization Grant 2.0 for Workforce Supports funds. This letter contains important information about how the payments must be spent. Please read this letter carefully.

As a reminder, at least 75% of the funds must be spent on workforce support and the remaining 25% can be used for other eligible expenses.

Since the goal of this initiative is to build a strong system that attracts, supports, and retains qualified child care staff, OCFS **strongly encourages** child care providers who receive the Stabilization 2.0 Grant for Workforce Support to use the funds to permanently increase wages of child care staff as well as other types of financial incentives. As a reminder, you have until September 30, 2023 to make any payments for allowable stabilization grant uses, so this grant can support wage increases over the long term. Programs may consider multiple strategies to support the child care workforce. Examples of these are listed below:

Wages:

- Wage increases
- Recruitment bonuses
- Bonuses or wage supplements: may be used to retain existing staff or sign-on bonuses to attract new staff. Bonuses can either be awarded as a lump sum or dispersed incrementally.

Benefits:

- Health insurance: Programs can work on connecting staff to health insurance or supporting their premiums in the Marketplace. Programs can also create, administer, and contribute to employer-provided health care flexible spending accounts where employees can set aside pre-tax funds and be reimbursed for allowable out-of-pocket medical expenses.
- Retirement benefits: Programs can create and contribute to employer-administered retirement accounts where employees can set aside pre-tax funds for allowable retirement uses.

Education:

- Assist in loan repayment or student debt relief
- Supplemental Education Scholarships or tuition reimbursement.
 - These scholarships or tuition supports can be paired with increased compensation.

Your program's success is dependent on recruiting and retaining quality staff members. These investments are **essential** for building the supply of child care into the future. Thank you for all you do for the children and the families of New York.

Sincerely,

A handwritten signature in black ink that reads "Nora Yates". The signature is written in a cursive style with a long horizontal stroke at the end.

Nora K. Yates
Deputy Commissioner
Division of Child Care Services