

State of Wisconsin

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Howard Marklein

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ASSEMBLY CHAIR
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Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: October 27, 2022

Re: 14-Day Passive Review Approval – Federal Block Grant

Pursuant to s. 16.54(2)(a)2, Stats., attached is a 14-day passive review request from the Department of Administration, received on October 27, 2022.

Please review the material and notify **Senator Marklein** or **Representative Born** no later than **Tuesday, November 15, 2022**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

HM:MB;jm



Tony Evers

OFFICE OF THE GOVERNOR

October 27, 2022

The Honorable Howard Marklein, Co-Chair
Joint Committee on Finance
316 East, State Capitol
Madison, WI 53702

The Honorable Mark Born, Co-Chair
Joint Committee on Finance
308 East, State Capitol
Madison, WI 53702

SUBJECT: Modification of Federal Block Grant

Dear Senator Marklein, Representative Born and Members:

Attached is a request for the fiscal 2022-23 expenditure of remaining and previously approved Child Care and Development Block Grant funds made available to the state by the Coronavirus Response and Relief Supplemental Appropriations Act of 2021. Pursuant to s. 16.54(2)(a)2., the grant funds will be made available through the allotment process, unless you notify me within 14 working days after the date of this notification letter that a meeting has been scheduled for the Joint Committee on Finance to review the proposed expenditure of grant monies.

Please also contact State Budget Director Brian Pahnke (266-1035) at the Department of Administration if you have any additional questions or if you schedule a meeting to review the proposed expenditure.

Thank you for your prompt attention to this notification letter.

Sincerely,

Tony Evers
Governor

Date: October 27, 2022

Attachments

OCT 27 2022
J. FINANCE




STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Kathy Blumenfeld, Secretary-designee
Brian Pahnke, Administrator

Date: October 24, 2022

To: The Honorable Tony Evers
Governor of Wisconsin

From: Kathy Blumenfeld, Secretary-designee 
Department of Administration

Subject: Notification of Federal Block Grant Modification

Recommendation:

Approve a modification to the expenditure of funds from the federal Child Care and Development Block Grant (CCDBG) award as proposed by the Department of Children and Families.

Description of Purposes of Expenditure:

The Department of Children and Families requests under s.16.54, Wis. Stats., the authority to spend \$775,000 FED in fiscal year 2022-23 from the appropriation under s. 20.437(2)(md) to fulfill a contract obligation for workforce training and communications programs previously approved by the Joint Committee on Finance. The source of the federal funds is CCDBG funding provided by the Coronavirus Response and Relief Supplemental Appropriations Act of 2021.

In December 2020, the federal government enacted the Consolidated Appropriations Act, 2021, which included the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSA) under which \$10 billion of CCDBG funding was allocated to states, territories and tribes to supplement existing state funding for COVID-19 response. Wisconsin's allocation of this funding was \$148.8 million. These funds were required to be obligated by September 30, 2022.

In March 2021, the department requested and received approval to commit \$133.8 million of these funds in fiscal year 2020-21. The bulk of these funds (\$106 million) was allocated to the Child Care Counts program to help child care providers weather the pandemic.

At the time of the first request, the department indicated that it would submit a second request in fiscal year 2021-22 for expenditure authority for the remaining federal funds (\$15 million) and for any underspending from fiscal year 2020-21. In September 2021, the department received approval for expenditure of such funds as outlined in the following table.

The Honorable Tony Evers, Governor
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Table 1: Proposed Allocation of Additional CCDBG Funding

SFY22 Request	
Program	Budget
Private/Public Partnerships	\$10,000,000
Workforce Training and Communication	\$5,000,000
Shared Services	\$5,500,000
Administration	\$2,234,588
Child Care Counts: Any underspending from other s. 16.54 approved programs and recoupments	TBD

Of the amount approved for fiscal year 2021-22 expenditure, \$5 million was for child care provider workforce training and communications. The department entered into several contracts which needed to be manually encumbered in order to fund the contract period that continued into fiscal year 2022-23. One of the contracts for \$775,000 with the Wisconsin Registry, a provider of training and technical assistance for child care providers, was inadvertently missed during the fiscal year end encumbrance process. The contract provides funding for program costs to provide access to registry membership and data systems upgrades that benefit child care providers.

To fulfill the current contract with Wisconsin Registry, the department needs expenditure authority in fiscal year 2022-23 to expend the previously approved funding for the same purpose of workforce training and communication. Since the obligation deadline has passed, the remaining \$775,000 in CRRSA funding can only be expended on the contract with the Wisconsin Registry. Therefore, if this request is not approved, the remaining funding would lapse back to the federal government.

Prepared by: Olivia Rice
 266-5468



Wisconsin Department of
Children and Families

Governor Tony Evers
Secretary Emilie Amundson
dcf.wisconsin.gov

DATE: October 18, 2022

TO: Brian Pahnke, Administrator
Division of Executive Budget and Finance
Department of Administration

FROM: Emilie Amundson, Secretary

SUBJECT: s. 16.54 Request – Child Care and Development Block Grant (CCDBG)
Consolidated Appropriation Act Funding

The Department of Children and Families (DCF) requests, under s.16.54(2)(a)(2), Wis. Stats., authority to spend \$775,000 of the total \$148.8 million CCDBG award amount in State Fiscal Year 23 (SFY 23) in the appropriation under §20.437(2)(md) in order to use funding provided by the Coronavirus Response and Relief Supplemental Act (CRRSA) as part of the Consolidated Appropriations Act (CAA).

DCF requests these funds for workforce training and communications as approved in the request approved by the Joint Committee on Finance on September 10, 2021. DCF planned to encumber this authority to fund this contract into SFY 23 but missed the deadline to do so at the end of SFY 22. Expenditure authority is requested to complete the work set forth in the previous approval.

Revenue Sources

The CRRSA provides \$10.0 billion under the Child Care and Development Block Grant, for payments to States to respond to the COVID-19 pandemic. Wisconsin has received \$148.8 million of the total grant increase.

Background

The Coronavirus Response and Relief Supplemental Act (Public Law 116-260), passed into law on December 27, 2020, contains provisions which increase funding for child care activities under the existing Child Care and Development Block Grant (CCDBG).

DCF received approval to spend CRRSA funds in two prior s.16.54 requests. The first, approved April 1, 2021, provided authority for \$133.8 million of the total award. A subsequent approval on September 10, 2021, provided authority for \$15.0 million funds remaining on the CRRSA award in SFY 22.

Of the \$15.0 million approved for SFY 22, \$5.0 million was for child care provider workforce training and communications. This amount was composed of several contracts which all needed

their budget authority manually encumbered in order to fund the contract period that continued into SFY 23. One contract provided \$775,000 for assisting child care providers in accessing statewide training and data systems. This contract was not manually encumbered and needs additional authority approved in SFY 23 in order to complete the contract.

Analysis

This request would allow DCF to continue funding its contract the Wisconsin Registry, a provider of training and technical assistance for child care providers in Wisconsin, in a manner approved by JFC on September 10, 2021. Membership with the Wisconsin Registry allows providers to access its services. This contract contains \$775,000 funding for program costs which provide access to Registry membership and data systems upgrades that benefit child care providers.

This CRRSA funding had an obligation date of September 30, 2022 and needs to be liquidated before September 30, 2023. The portion of the CRRSA funding requested by this plan can only be spent on the contract with Wisconsin Registry as it was obligated under the contract DCF entered in SFY 22, prior to the obligation deadline. If this request is not approved, the funding cannot be reallocated for another purpose and would lapse back to the federal government.

Summary

DCF requests authority to spend \$775,000 million of the \$148.8 million FED awarded from CCDBG funding provided by the Coronavirus Response and Relief Supplemental Act in SFY 23.

Prepared By: Adam Hartung, Director
Office of Budget and Policy
(608) 422-6346