



Community Implementation of Federal COVID-19 Response: Results and Recommendations

December 18, 2020

The COVID-19 pandemic and economic recession have worsened existing inequities and profoundly impacted the health and well-being of individuals, families, and communities across the country. The federal government responded to the pandemic with a series of legislative and administrative actions; the largest of these actions was the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which became law on March 27, 2020. The CARES Act and other federal actions provided some benefits and supports to individuals, businesses, and government entities, including school districts and state and local governments, as well as flexibilities for how some federally supported programs, including Medicaid and home-visiting, are conducted.

Researchers have looked at the [macro-economic impact of the federal response](#), examining [effects on poverty](#), unemployment, and [GDP](#). In contrast, this brief analyzes the COVID-19 federal policy response in the communities (cities, counties and states) where the [Center for Community Resilience](#) (CCR) network has a presence, with a specific focus on how the federal response has supported child, family and community resilience. This analysis included collection of quantitative and qualitative data from across six CCR network sites and reflects early learnings about how those communities are using federal resources and flexibilities to support an equitable recovery and what challenges have arisen. Our analysis also includes a set of recommendations that policy makers, local and state governments, and the philanthropic sector might consider as additional relief and recovery actions are considered and implemented.

This research was supported in part by the David and Lucile Packard Foundation.

Background on the Center for Community Resilience Network

The CCR network includes [six cross-sectoral teams](#) in the following regions- Washington, Oregon, Missouri, greater Dallas, greater Cincinnati, and Washington, D.C. These teams seek to address the root causes of childhood trauma, foster equity and build community resilience. The network utilizes the [Pair of ACEs model](#)- adverse childhood experiences in the context of adverse community environments. Childhood adversity or trauma, such as exposure to abuse and neglect, parental substance abuse and incarceration, are often rooted in community environments lacking equity, as measured by concentrated poverty, poor housing conditions, higher risk to violence and victimization, and homelessness. Each region brings together government entities, community-based organizations, health systems, and others to make child and family serving systems trauma-informed and to implement changes in practice, programming, and public policy to prevent and address the root causes of adversity. The network has a strong emphasis on advancing racial equity and addressing structural racism

across systems. The Center for Community Resilience convenes the network and provides strategic technical assistance to its members. The network is supported by the Kresge Foundation.

Key Research Questions

In seeking to understand the impact of COVID-19 on CCR communities as well as the effect of the federal response in those communities, we designed the following research questions:

- What are the identified primary needs of communities impacted by COVID-19? How have the federal relief responses aligned with that demonstrated need?
- Are resources reaching the communities and populations with the greatest need?
- Have there been policy, programmatic, or practice innovations that could be implemented in other jurisdictions?
- What are the barriers at the state and local level to the utilization of funds for needed purposes?
- What are the primary unmet needs related to critical community systems?
- To what extent are new resources being used to address long-standing community inequities as well as short-term needs?

CARES Act Survey Overview

In September 2020, CCR network sites completed a survey containing a series of questions about both the impact of COVID-19 in their communities as well as the impact of the federal response, particularly the CARES Act. A total of seven survey responses provided various perspectives from people working in fields such as child care, behavioral healthcare, and city government. The survey asked questions regarding the extent to which COVID-19 has impacted the community, the biggest drivers of that impact, and specific populations that have been significantly impacted. Other questions in the survey asked about which federal funding streams were most impactful, community involvement in response efforts, and recommendations the respondent has for the federal government towards short-term and long-term equitable recovery. The survey was followed up by lengthier interviews with key informants from each site that participated in the survey. This quantitative and qualitative approach provides us with a clearer understanding of the impacts of the pandemic and how communities have responded and utilized federal resources and flexibilities.

Survey Results

Populations Affected

Racial and ethnic populations reported to be most impacted by the pandemic were African-American, Latinx, and Indigenous communities. Other populations that were significantly affected include immigrant populations, individuals living with pre-existing conditions, individuals living in poverty, urban-located families, and individuals working essential jobs. Families and children were also impacted by the pandemic, with parents no longer having access to child care services and children having to transition to online learning. Parents losing

their jobs has also led to increased stress, anxiety and other mental health issues surrounding job and income loss. These results are summarized in Figure 1 below.

Biggest Drivers of Impact on the Well-Being of Children and Families During the COVID-19 Pandemic

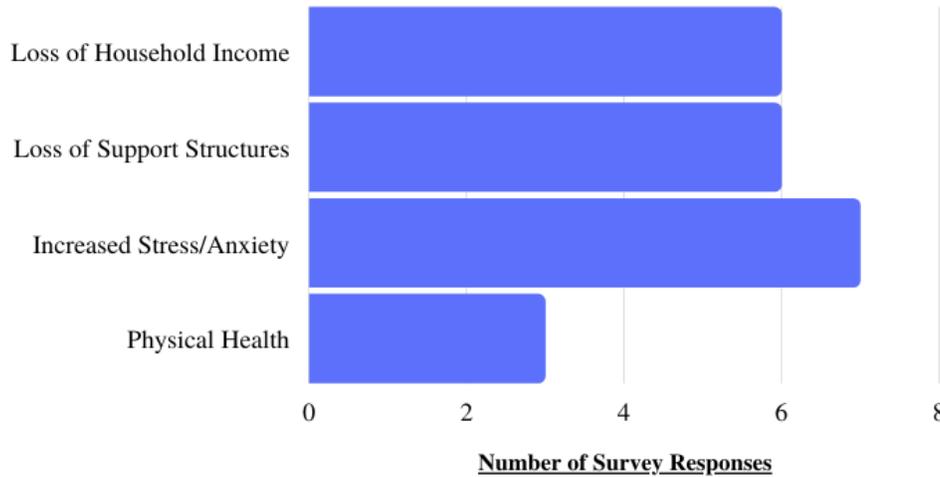


Figure 1. Survey responses reported on the issues affecting the well-being of children and families during the pandemic.

<u>Short-Term Consequences</u>	<u>Long-Term Consequences</u>
<ul style="list-style-type: none"> ● Increased Child Neglect/Abuse ● Increased Intimate Partner Violence ● Increase Substance Misuse ● Food Insecurity ● Physical and Mental Illness ● Homelessness 	<ul style="list-style-type: none"> ● Educational Achievement Gap ● Displacement/Gentrification ● Increased Income and Wealth Inequality ● Loss of Small Businesses ● Mental Health Impacts (including substance misuse) ● Physical health (e.g. chronic disease)

Table 1. Respondents listed the short-term and long-term consequences of the COVID-19 pandemic of concern in their communities.

Communities reported that the COVID-19 pandemic has led to a variety of negative consequences related to health, housing, food security, substance abuse, and income. Survey respondents were asked about short-term and long-term consequences they were concerned about due to COVID-19, and were allotted space on the survey to write-in any consequences that were not included on the list provided. The concerns reported by the respondents are summarized in Table 1.

Community Impact and Involvement in COVID-19 Response

Survey respondents were asked to rank the extent to which the COVID-19 pandemic worsened existing adversities and disparities in the communities where they work. Every response reported existing community adversities and disparities to have worsened by either a moderate extent (4 responses) or a great extent (3 responses).

Community involvement was a critical component in the respondents' COVID-19 response efforts. Community strengths were particularly leveraged in the areas of expanding community collaborations and using existing community-based structures to provide resources to vulnerable communities (see Table 2).

Existing Community Strengths that Have Been Leveraged in COVID-19 Response:

- Philanthropic organizations coordinating and pooling resources to provide flexible funding to meet emergency needs and fill gaps in the federal response
- Child care organizations remaining open to provide care for the children of essential workers
- Communities with existing mechanisms to engage community members in funding decisions utilized those to help identify critical community needs
- Communities with established equity measures were able to base funding decisions in part of where resources could best address existing and worsening inequities
- Community-based mental health interventions being provided via tele-health and in non-clinical settings

Table 2. Survey respondents listed community strengths that have been utilized in their COVID-19 response efforts.

CARES Act and other COVID-19 Response Funding Access and Use

Survey respondents were asked various questions about CARES Act funding surrounding access, sources of information, flexibility in use of funds, and more. The survey asked respondents to indicate the barriers they faced in accessing CARES Act or other relief funds.

Respondents also listed their main sources of information regarding CARES Act funding and how it could be used. These sources were media, government communications (including funding opportunity announcements), advocacy organizations, colleagues/networking, and professional membership organizations. The funding streams that were stated to be the most impactful included small business loans under the Paycheck Protection Program (PPP),

increased funding for Child Care Development Block Grant, state and local government fiscal relief (including Community Development Block Grant, Community Services Block Grant, and the Education Stabilization fund), and rent and mortgage assistance programs.

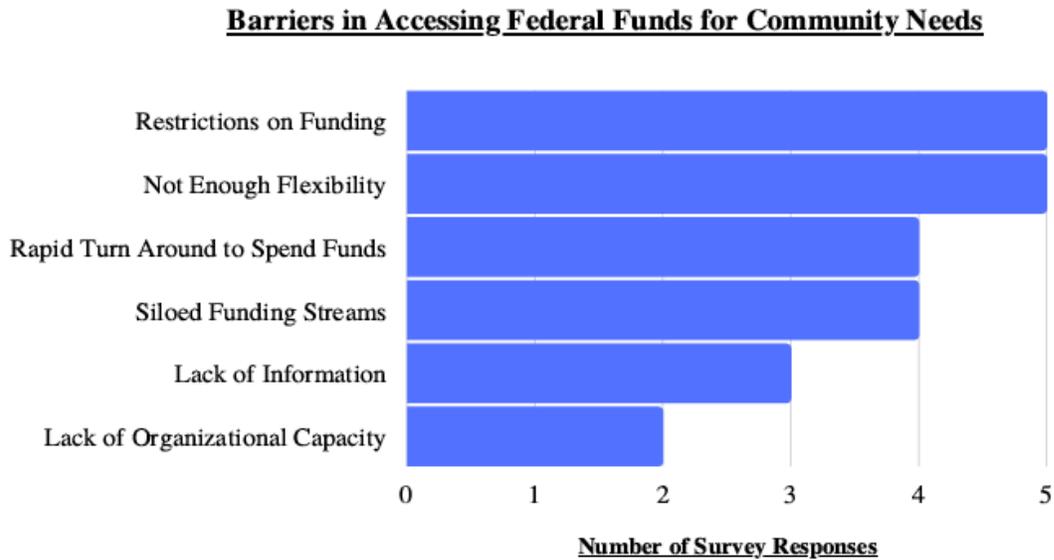


Figure 2. Respondents reported on the barriers they faced in accessing federal funds to address needs in their communities.

Summary of Key Informant Interviews

Post-survey interviews were conducted with CCR network sites to further understand the various benefits and challenges these sites faced in their respective COVID-19 recovery efforts. Respondents from Dallas, Texas, the state of Oregon, the state of Missouri, and greater Cincinnati, Ohio were interviewed and answered questions related to the use of federal response funding and flexibilities, the level of community involvement in COVID response, current unmet needs, and possibilities for an equitable recovery.

Key Findings from Key Informant Interviews Include:

- The Payment Protection Program (PPP) and community-based organizations’ ability to access it was critical in maintaining provider capacity and adequate staffing levels for many health and human services provider organizations.
- Philanthropic organizations, especially regional foundations, were able to streamline their processes, act as hubs for smaller philanthropies, and filled gaps to meet community needs
- Local governments that utilized equity indicators and/or had established mechanisms for engaging communities in funding decisions were better able to steer resources toward the most vulnerable communities and populations.

CARES Act Funding: Benefits and Challenges

Respondents reported their perspective on how CARES Act and other federal COVID relief funds were utilized in their community, including challenges with accessing and using this funding to address identified issues. A common theme among the interviewees was the usefulness of the Paycheck Protection Program (PPP) funds provided through the Small Business Administration. The PPP funds were used by organizations, including NGOs, to keep employees on payroll and ensure staff were available to provide needed services to communities. Funding from block grant programs, such as the Child Care Development Block Grant (CCDBG), the Community Development Block Grant (CDBG), and the Community Services Block Grant (CSBG) Program, was also helpful for specific needs, such as child care services, and provided flexible funding that local communities could direct to areas of highest need, such as rental assistance. In Dallas, CDBG funds were applied to a variety of needs, including the city's rental assistance program, its emergency relief fund, and its legal services fund. CCDBG funds were utilized in the Cincinnati area to cover increased costs associated with providing child care during COVID, such as purchasing personal protective equipment for staff (masks, hand sanitizers, etc.) and increased distancing in classrooms. One respondent estimated that the actual cost per child rose to \$400/week compared to the state reimbursement rate of just \$170/week.

Enhanced flexibility to deliver virtual home visiting services under the Maternal, Infant, Early Childhood Home Visiting (MIECHV) program was also identified as a key way to continue supporting the health and well-being of families with young children and keep them connected to supports and services.

Several respondents raised concerns with community-based organizations' ability to quickly access federal relief funds, particularly for funds that flowed through state and county governments. Respondents also shared concerns about barriers to vulnerable individuals accessing relief funds. In Oregon, like many states, there have been issues with the unemployment insurance system, leaving many applicants unable to access benefits or delays in receiving them, leading to a strain on other safety programs. Respondents also explained that some very low-income individuals, including those with state-owed child support arrears or those without a fixed address, never received their federal stimulus payment. This matches concerns raised by the National Child Support Enforcement Association, who issued a [resolution asking Congress to ensure future payments were not offset](#).

Other respondents involved in the child care sector reported significant delays in CCDBG funds getting to providers in time to avoid delays in program operations, with one respondent reporting that applied for funds had taken over five months to be disbursed.

Changes in Operations for COVID-19 Response

Each CCR site discussed changes in their activities and operations during the COVID-19 pandemic to meet the needs of the community. The sites reported the increased use of online services, including telehealth, virtual services for home visitation, and the need to expand broadband connection for the community, particularly in rural and some urban areas. The

interviewee from Oregon discussed the increase of telehealth services used, and the impact of Medicaid 1135 waivers on the uptake of telehealth services in the state. After the President declared the COVID-19 pandemic to be a public health emergency, the Center for Medicaid and Medicare Services (CMS) began approving state 1135 Medicaid waivers. After CMS approved Oregon's Medicaid 1135 waiver on March 25, 2020, the Oregon Health Authority allowed a wide range of new healthcare services to be delivered and accessed remotely. These services include those related and unrelated to COVID-19, such as mental health services, speech therapy, maternity care, and more. The [flexibilities](#) provided through the Medicaid 1135 waiver led to an increase in the number of telehealth services used and provided in Oregon.

In Dallas, the existing [equity indicators](#) and assessment tool were used to determine where to prioritize assistance and support in their COVID response. CDC assessment criteria were used to assess need in the varying communities, and an interactive [vulnerability index and map](#) was created to visualize the areas in the community with the highest need. This equity assessment tool helped in a more accurate targeting of funds and in prioritizing areas that needed the most assistance. Information gathered using this tool also helped to inform council members on the needs of different communities throughout the city.

Respondents in St. Louis indicated that infrastructure for community engagement, created in part by a [5-year, \\$4.7 million grant](#) that was awarded to the Saint Louis County Department of Public Health, the City of St. Louis Department of Health, and the Saint Louis Mental Health Board in 2016 by the Substance Abuse and Mental Health Services Administration (SAMHSA) under the Resiliency in Communities After Stress and Trauma (ReCAST) program, was utilized to engage community members in informing funding decisions for some flexible funds provided to local governments, including under CDBG.

Identifying Community Needs and the Role of Community & Philanthropic Organizations

Sites provided details on the various roles played by government, community, and philanthropic organizations in reaching vulnerable communities. In Dallas, the city collaborated with existing community organizations to create COVID-19 task forces for Latino and Black communities—those hardest hit by the pandemic and recession. La Alianza, a non-profit organization serving the Latino community in Dallas, was involved in creating the Latino COVID-19 Task Force. Through their collaborative efforts, La Alianza and the city of Dallas were able to set up a drive-through COVID testing site at the Mexican consulate. Collaborating with this non-profit allowed the city to access this community through a trusted source, and the city supported La Alianza by providing data and access to needed resources. Similar collaborative efforts led to a [African-American Task Force for COVID-19](#) being created, and this was organized by an elected official in the city of Dallas. Along with community organization involvement, the Chamber of Commerce and other government agencies worked with community organizations to increase access to internet services for families in need.

In Cincinnati, philanthropic organizations, including United Way of Cincinnati and the Greater Cincinnati Foundation, were able to collaborate and coordinate to provide flexible funding for child and family serving organizations. The pre-existing community-centered design of these

organizations helped in delivering a rapid response to people in need of services prior to federal relief funds making it to the community level. The United Way of Cincinnati increased flexibility for current grantees, including funds for personal protective equipment (PPE). They also moved to quickly process and approve new grants for partners that do not usually receive funding. The Greater Cincinnati Foundation became a hub for smaller philanthropic organizations and worked to pool funds. The foundation also initiated a unified, streamlined application process to get money and resources out as fast as possible, and changed its existing requirements/criteria to be responsive to COVID-19-related needs. Respondents reported that changes made by the philanthropic sector were critical in supporting many service providers and filling in gaps in federal supports.

Future Recommendations for Equitable Recovery

Interviewees from the CCR sites were also asked about their future recommendations to Congress for an equitable COVID-19 recovery. The interviewee from Oregon stated that another round of PPP funding with a clear focus on organizations working in communities hardest hit by COVID would be most helpful in keeping service providers solvent and able to meet increased demand. Another recommendation was increasing funding for Social Services Block Grants (SSBG) or other flexible funding sources that allow communities to utilize resources to meet identified needs.

The recommendations from the Dallas interviewee were related to targeted funding of vulnerable communities, an extension of eviction protections, and extending deadlines for CARES Act funding to be utilized. The interviewee noted that the eviction moratorium established by the CDC in September is set to expire on December 31, 2020. Extension of this deadline will allow people who are facing financial challenges to maintain their residences and comply with stay-at-home orders, which is critical in avoiding increased spread of the COVID-19 virus. The interviewee stated that since the needs in Dallas have been identified, it is important that funding streams be flexible enough for local leaders to target support to vulnerable communities and populations. By increasing funding and extending deadlines, the city will be better able to continue addressing issues in these communities and offer the resources needed.

Currently, [state, local, and tribal](#), governments can spend money provided by the CARES Act on costs incurred from March 1, 2020 to December 30, 2020, also known as the “covered period.” The Treasury Department has clarified that the actual payments do not need to be made by December 30, but the funds can only be used to pay costs that have been incurred by this date. The funds that need to be spent before this deadline includes CDBG and CCDBG funding. The PPP program’s deadline was extended from June 30, 2020 to December 31, 2020 by the [Paycheck Protection Program Flexibility Act of 2020](#), however that deadline is also set to expire by the end of this year. The interviewee stated that extending these funding deadlines will help Dallas in measuring whether the funding being applied in vulnerable communities is moving the needle on health and education indicators identified by the equity impact assessment tool.

During the interview with the Cincinnati site, recommendations were related to increasing funding for child care services. The interviewee recommended that Congress pass the Health

and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, a supplemental COVID-19 stimulus package. This legislation was introduced on May 12, 2020 and has passed in the House, but has not passed in the Senate. The interviewee stated that the money from the CARES Act has worked to keep organizations afloat, but as that money is running out, it is critical that Congress pass the HEROES Act or other legislation that includes robust increases in CCDBG funding to continue COVID-19-related efforts and ensure the long-term sustainability of many child care providers. State and local fiscal relief funds, including continued increases in the federal share of FMAP for Medicaid and child welfare are also needed to avoid deep cuts to state and local safety net programs. Similar to the recommendation provided by the Dallas interviewee, the need for rental assistance eviction protections was also mentioned, as many who are relying on the eviction moratorium now will not be able to pay back months of rent costs that have accumulated without direct support to renters or to landlords who forgive accrued rent.

- Extending funding use deadlines past the December 30, 2020 deadline will allow state and local governments to continue their current COVID-19 response efforts along with being able to continue evaluating community needs throughout the pandemic.
- Flexible block grants and fiscal relief for state and local governments were seen as most impactful for getting resources to communities most adversely impacted by the pandemic and recession.

Recommendations

For Federal Policy Makers

- **Sustain the non-profit and child care sectors and support relief and recovery for minority-owned small businesses.**

Congress should extend and fund the Paycheck Protection Program, with a specific focus on grants/loans to minority-owned businesses or businesses in federal designated Opportunity Zones. The HEROES Act [included a set-aside](#) for minority-owned lenders to support minority-owned businesses. If a similar provision is not included in forthcoming relief legislation, the Treasury Department should issue guidance to lenders on how to support minority-owned businesses.

Treasury Department and other agencies, including the Administration for Children and Families and the Small Business Administration should collaborate to identify additional financing mechanisms to support child care providers as small businesses, such as Treasury's [Community Development Financial Institutions](#) fund (CDFI) and provide technical assistance to child care providers on how to access those supports.

Congress should also include significant increases in CCDBG in any future relief package. The [Child Care is Essential Act \(S. 3874\)](#) introduced in the Senate or the [Child Care for Economic Recovery Act \(H.R. 7327\)](#) passed by the House in July, would provide needed support to child care providers and families relying on child care.

- **Ensure an equitable recovery by providing flexible funds that can be used to address community-identified drivers of adversity.**

Congress should extend and expand funding through the Community Development Block Grant (CDBG) and the Community Services Block Grant (CSBG). Funds provided by the CARES Act through these block grants have allowed communities the flexibility to address community level drivers of adversity and advance equity. Congress should also consider allocating funds through the Social Services Block Grant (SSBG) to provide another source of flexible safety net funding that can be leveraged in the hardest hit communities.

- **Protect the safety net from state and local budget cuts.**

Congress should continue and consider expanding the increased federal share of the Federal Medical Assistance Percentage (FMAP) to states for both Medicaid and Child Welfare. Currently, states are receiving a 6.2% increase in the federal share of FMAP, which is the federal/state cost allocation formula for both Medicaid and some child welfare programs. Absent continued federal support, states will likely be forced to reduce Medicaid and/or child welfare spending or cut other health and human services programs to fill budget gaps.

- **Focus direct relief on the most vulnerable.**

Congress should continue enhanced unemployment insurance benefits, particularly for non-traditional workers, and tie those benefits to either the unemployment rate in the region or continue them for the duration of the declared public health emergency.

Any additional direct relief (stimulus checks) should not include provisions that allow for payments to be reduced for state-owed child support or other debts.

- **Extend certain programmatic and administrative flexibilities.**

HHS and other agencies should make permanent flexibilities that have allowed for provision of certain services, including telehealth and home visiting, virtually.

- **Disaggregate and report data related to COVID and the economic recovery by race/ethnicity.**

Federal agencies overseeing COVID relief funds should collect and report data disaggregated by race and ethnicity and provide public reports examining the impact of relief efforts on communities of color.

- **Ensure that child-serving systems can provide trauma-informed supports.**

Social isolation caused by school closures and public health stay-at-home orders, combined with increased economic hardship and stress, are very likely to increase child trauma and exposure to adverse childhood experiences, such as abuse or neglect. Congress should ensure that future funds directed to schools, child care providers and

other child- and family-serving systems can be used to implement trauma-informed supports in those settings and provide mental health supports to children, their caregivers, and the workforce of those systems. In addition, Congress can increase funding for the [National Child Traumatic Stress Network](#), which provides guidance and technical assistance to communities in addressing and preventing child trauma, and SAMHSA's [Project AWARE](#) (Advancing Wellness and Resilience in Education), which supports school districts in implementing trauma-informed supports.

For State and Local Governments

- **Utilize equity indicators to inform resource allocation decisions.**
Local governments should utilize existing health [equity measures](#) to guide discretionary funding decisions to areas that are most likely to improve equity outcomes and help guide future budget development. Local governments without existing indicators should consider developing them as a mechanism to track the recovery and long-term impacts on populations of color. Using data from equity measures, local governments can also prioritize discretionary funds to support communities of color and organizations that partner with those communities.
- **Develop and utilize mechanisms for community input on recovery and relief decisions.**
State and local governments or regional collaboratives can utilize existing community advisory boards or other mechanisms to directly engage communities in funding decisions. For example, the St. Louis region is using a [Regional Response Team](#) comprised of both government and non-government partners to help guide COVID response and recovery efforts. Governments can also utilize [Community Participatory Budgeting processes](#) to inform funding decisions related to COVID recovery. In addition, state or local governments can empower existing Children's Cabinets or develop them to bring together cross-sector partners to identify funding priorities for COVID recovery.
- **Utilize funding and administrative flexibility to provide trauma-informed supports, particularly in educational settings.**
Many federal funding streams appropriated under the CARES Act and other relief vehicles can be utilized to provide trauma-informed support. For example, education funds under the CARES Act's Education Stabilization Fund can be used for "social and emotional supports" and this [could include trauma-informed supports](#) for students and teachers. The National Child Traumatic Stress Network has also provided [guidance on trauma-informed strategies](#) for schools.

For Philanthropic Organizations

- **Maintain application and reporting flexibility.**
Many organizations have stream-lined application and reporting processes in response to the pandemic and in recognition of the need to lessen administrative burdens on service providers. Philanthropic organizations should review the impact on these changes, particularly in opening up opportunities for small organizations and

organizations run by or partnering with people of color. Making some changes permanent could expand opportunities for a more diverse set of grantees.

- **Focus resources on communities of color and filling gaps in the federal response.** [Many organizations](#) moved quickly to establish COVID relief funds and quickly allocated resources into the community. Organizations should continue to focus on filling gaps and directing funds to populations and communities most adversely impacted by COVID, particularly communities of color. In addition, funders should also look to support long-term efforts to address drivers of inequity and recognize that economic recovery will be a long-term project.

Conclusion

The CARES Act and other federal relief efforts have provided essential support to families, communities, organizations and governments around the country. Direct relief, programmatic flexibilities, and support for community-based organizations have lessened the impacts of the COVID-19 pandemic and economic recession. Communities and organizations with a strong focus on equity have helped to steer supports to those individuals and families most at-risk. Unfortunately, federal efforts to date have not been large enough or sufficiently targeted to ensure that current adversities are minimized, but also lead to an equitable recovery in both the short and longer term. It is critical that Congress not only continue many features of the response, but also focus on providing targeted and flexible supports to those populations and communities most impacted by COVID-19 and the economic downturn. Policy makers and advocates must also continue to monitor the recovery through an equity lens and continue to pursue solutions with community input well into 2021 and beyond.