

Anchorage Child Care & Early Education (ACCEE) Fund

2025 Accomplishments, 2026 Budget, & Looking Forward



ANCHORAGE CHILD CARE & EARLY EDUCATION **FUND**



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Plan for Today

- Share **2025 investments & accomplishments**
- Discuss 2026 1Q recommended **budget adjustments**
- Talk about **what's next**



2025 Investments: 4 primary programs

- Operational Assistance: **\$2.4M**
- Sector Worker Child Care Subsidies: **\$1.25M**
- Pilot & Capital Projects: **\$2M**
- ASD Title I Programs: **\$2M**





Operational Assistance: \$2.4M

- Operated by **thread**; spent all funding
- One **summer** payment made to **198** eligible orgs
- Orgs received between **\$500-\$55,547**
- Spent on staff, rent/mortgage, utilities, facilities, insurance, equipment, supplies, prof dev, mental health supports (for students & providers)
- **158** filled out post-funding survey



Survey Results

- **108** orgs able to maintain capacity; **18** added capacity
- **90%**: “helped maintain capacity/avoid closures”
- **45%**: retain staff/avoid layoffs
- **30%**: increase in number of children served
- **25%**: can now serve new families/underserved pops
- **15%**: able to reduce costs to families *now*; **60%** able to reduce costs *if funding continues*
- **15%**: increased hourly wages; **10%** gave bonuses
- **33%**: offered more benefits to staff



Thoughts from Awardees

- *“Funding opportunities like this...allow us to pay our teachers a livable wage without increasing costs to families”*
- *“We were able to pay for staff training to gain our level 3 certification for Learn and Grow”*
- *“Without [this funding] we would have to drastically cut back services to families whose children have additional needs”*
- *“With increasing cost on supplies, the funding was very helpful. I didn't have to raise the tuition. Thank you so much for the support.”*
- *“This funding is essential”*

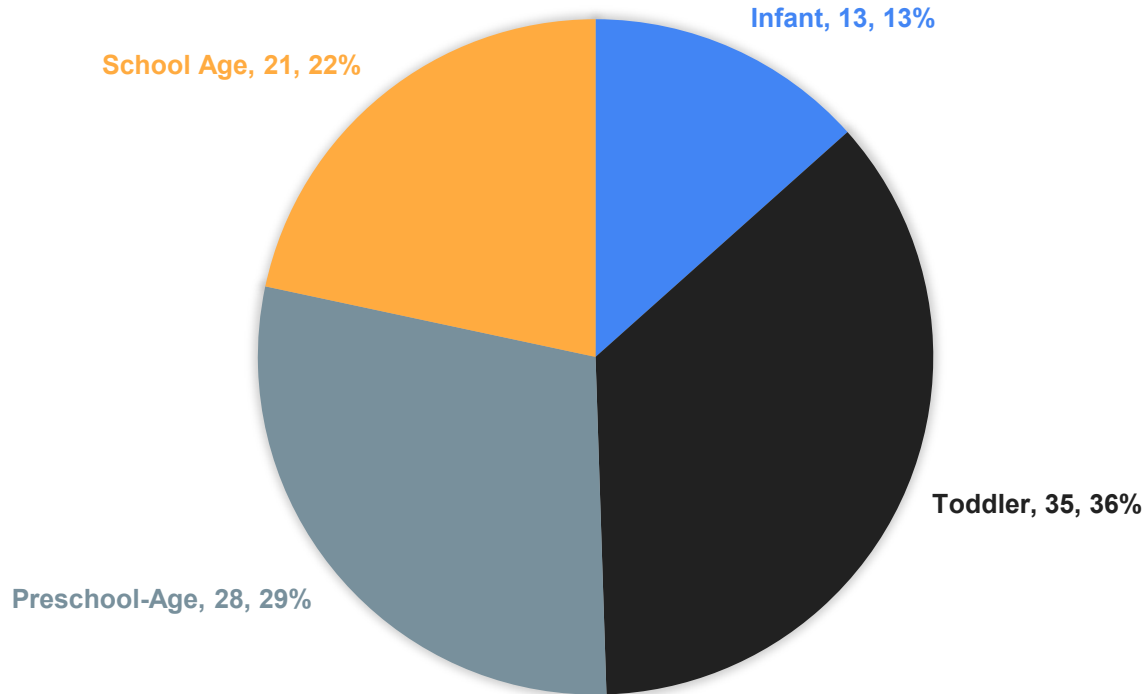


Child Care Subsidies: \$1.25M

- Operated by **Alaska Family Services**
- Payments made **monthly** beginning in June
- **81** participants; hundreds of Anchorage families likely benefited
- Distributed approximately **\$844,000**
- Appx **120 kids** received paid care

Child Care Subsidies Program

SUBSIDY PAYMENTS BY AGE CATEGORY - NOVEMBER 2025





Child Care Subsidies: Impact

Workforce

- 95%: increases ability to focus at work
- 98%: improves family's financial stability
- 98%: more likely they'll keep working in the sector

Employer

- 69%: increased financial stability
- 73%: easier to retain quality staff
- 47%: increased ability to serve more kids



Pilot and Capital Projects: \$2M

- Operated by **Muni** via RFGP released in spring
- Received **48** proposals; recommended **20 (7 pilot; 13 capital)** for approval
- Assembly approved in June
- Awards ranged from **\$15,570** (facility improvements) to **\$224,217** (repurpose ASD classrooms into licensing-ready, rent-free spaces)
- Funded training; worker-led program; addl infant capacity; employer cost sharing study; drop-in child care; flooring, playground, other updates
- One-page summaries of completed projects in development



ASD Title I Programs

- Funded **8** high-quality pre-k classrooms in **Title I schools**
- Students selected by lottery based on **risk factors** (homeless, hardships)
- Paid for **staffing** (certified teacher and paraprofessionals in each classroom) plus Teacher Expert for coaching/guidance
- Also funded **Mental Health Consultant** & **playgroup** for those who couldn't access program (7 days a week)
- Playgroup did outreach to homeless shelters, libraries, families displaced from Western Alaska
- **20** students received special education services
- All funding spent



2026 BUDGET



This funding is intended to help stabilize the child care and early education sector, helping providers cover operating costs, retain staff, and maintain quality access to early learning opportunities. A strong child care sector strengthens families and supports the broader workforce and economy.

\$1.75M

Early educator child care subsidies

These subsidies pay for at least a portion of child care or early education costs for sector workers' children, keeping providers in the workforce and access to child care spots for our community.

\$2.4M

Operational assistance

Direct financial assistance to existing child care and early education providers with the goal of increasing wages, reducing employee turnover, and increasing access to care.

\$1.125M

Pilot and capital projects

Flexible financial assistance that drives innovation, increases access to quality affordable child care, and brings further investment to the sector.

\$2M

ASD Pre-K classrooms

Funding to support pre-K classrooms in Title 1 Anchorage School District schools.

\$125k

Best Beginnings: Imagination Library

This program provides a high-quality, age-appropriate book each month to children birth-five years old at no cost to families.

\$100k

Start-up funding for in-home providers

Funding to support new in-home care options for Anchorage families.

\$400k

Sector worker retention bonuses

This program provides modest bonuses to experienced workers, thereby supporting sector retention and family access to care.

2026 Budget

- **2025 & 2026 revenues** significantly reduced
- **Leftover 2025** funds (programmatic and admin) helped fill gaps
- After that, still expect **shortfall of \$462,013.66 in 2026**



Budget Considerations

Prioritize existing programs

Pilot/capital already less than 2025 allocation

Be mindful of Assembly priorities

We intend to spend allocated admin funds

Operational assistance was #1 sector-identified need

Many programs are scalable



1Q Recommended Adjustments

Need to reduce overall 2026 budget by ~\$462,000

1. Pause on starting new 2026 programs for now:

- Sector workforce retention bonuses \$400K
- Start up funding for in-home providers \$100K

2. If additional cuts are needed, reduce early educator child care subsidies

What's Next: Early Priorities as Executive Director

Listen & Align

- Board engagement
- Assembly input
- Shared direction with public

Stabilize & Clarify

- Consistent processes
- Clear communication
- Data and evaluation

Build Trust

- Transparency in funding
- Responsible stewardship
- Plan for revenue shifts

Strengthen Foundation

- Clarifying roles across partners
- Decision flow
- Strengthening timelines and systems

Questions?

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