



## Child Care Stabilization Subgrant Provider FAQs – 3/24/2022

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### General Information

#### 1.1 What is the Child Care Stabilization Subgrant Program?

The Child Care Stabilization Subgrant Program was authorized by Congress through the *American Rescue Plan Act (ARPA)*. States received funding to provide direct assistance to eligible child care providers to support their financial stability and offset unexpected costs associated with the COVID-19 pandemic.

Florida's program is designed to help stabilize providers now, support them to make strategic investments in their employees and programs, and to reward high quality and participation in the School Readiness Program, with an emphasis on directing higher rates of support to high quality programs in an area with a child care infrastructure deficit (desert).

The Division of Early Learning (DEL) is overseeing the Child Care Stabilization Subgrant Program in partnership with the Early Learning Coalitions (ELCs) throughout the State. ELCs will review applications to verify eligibility, confirm tax information, approve applications for payment and issue payments to providers.

#### 1.2 Is this the same as the CARES or CRRSA Phase Grants offered in 2020 to 2022?

No, this subgrant is not the same as other CARES or CRRSA grants offered in 2020 to 2022. The Child Care Stabilization Subgrant Program is funded by ARPA. Basic parameters were set by Congress and the Department of Health and Human Services for eligibility and conditions of receiving the funding. Due to this, all providers wishing to receive a Stabilization Subgrant must submit a new application.

#### 1.3 How do I apply for funding?

DEL is partnering with local ELCs to execute the ARPA Stabilization Subgrant Program. An ELC may have application instructions specific to the area it serves. Please contact the local [Early Learning Coalition](#) for further information on its process.

#### 1.4 I completed an application for the CARES Phase Grants. Do I still have to apply?

Yes, the Child Care Stabilization Subgrant has specific federal requirements. All interested providers must apply.

#### 1.5 Is there a phone number or email to contact if we have additional questions related to our subgrant application?

Please contact the [Early Learning Coalition](#) in your area for additional assistance.

**1.6 Are Stabilization Subgrants taxable?**

Yes, the ARP Act does not exempt the Stabilization Subgrant funding from taxation. The funds are subject to the same tax rules as regular CCDF funding. Please contact the Internal Revenue Service for guidance regarding federal tax rules.

Coalitions will send 1099s for funds received during the calendar year to entities requiring a form. Forms will be sent to the person or business listed on the W-9 submitted.

**1.7 What are reasons for an eligible provider to apply?**

In response to the urgent need to stabilize the child care sector, these subgrants represent an important opportunity for eligible providers to gain additional financial support for their programs as well as meet the needs of the communities and families they serve. In cases where the provider does not feel they need stabilization funding, they could apply for the subgrant and use the funds to reduce or eliminate all or a portion of family tuition.

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## Eligibility

### 2.1 Who is eligible to apply?

1) Providers can apply for a Stabilization Subgrant if they are deemed child care by the Department of Children and Families (DCF) or its Local Licensing Agency (LLA), are open (temporary closures are okay) and providing child care services on the date of application and meet either condition A or B below:

A. They were licensed, registered or regulated under the appropriate state or local law **on or before March 11, 2021**. In Florida, this includes:

- Licensed Child Care Facilities, including programs on Public and Non-Public school sites
- Licensed Family Child Care Homes (including Large FCCHs)
- Religious Exempt Programs
- Registered Family Day Care Homes
- Public and Non-Public School Programs
  - School Readiness Contracted Wrap Around Programs
- School-Age Only Programs (up to age 13)
  - **must have DCF determination letter for one of the following types:**
    - Programs on Public and Non-Public school sites – Before and After care
    - National Membership Programs, including, but not limited to:
      - Boys and Girls Club
      - YMCA
    - Programs serving 6<sup>th</sup> – 12<sup>th</sup> grade

OR

B. They were licensed, registered or regulated after March 11, 2021 **AND** meet Child Care and Development Fund health and safety requirements including completion of comprehensive background checks. In Florida, these requirements are only met if a provider is contracted for the School Readiness program.

- 2) Providers must also complete a current year fiscal year Child Care Resource and Referral (CCR&R) profile in the [Florida Early Learning Provider Services Portal](#), if not previously completed; and
- 3) Submit an [IRS Form W-9](#) for payment and direct deposit forms (as required by ELCs), if not previously submitted.

Providers not in good standing with or who had a contract terminated within the previous five years with the local early learning coalition are not eligible. Providers under investigation or convicted of child care fraud and those on the Florida Child Care Food Program (CCFP) USDA Disqualified List are not eligible.

### 2.2 My center is temporarily closed due to COVID-19. Am I eligible for subgrant funding?

Providers temporarily closed due to COVID-19 may still be eligible and are encouraged to apply. Any program that has closed permanently, meaning its license or approval to operate has been withdrawn, is not eligible to receive subgrant funding.

**2.3 I am a Head Start provider, can I receive a stabilization subgrant?**

Federal guidance is clear that ARPA Child Care Stabilization Subgrant funds are not intended to support providers that are fully funded through Head Start. This includes Early Head Start and Head Start Partnerships. Head Start recipients received significant federal resources through ARPA directly from the Office of Head Start. For this reason, programs that are **directly operated by a Head Start grantee or serve only Head Start children** are **NOT** eligible for the subgrant program.

Programs that serve Head Start children, as well as children in other programs, such as the School Readiness Program may be eligible for partial funding.

**2.4 Can child care programs operated by local school districts apply?**

Yes. Child care programs that are directly operated and funded by local school districts are eligible for funding through the subgrant program. Child care programs operated by nonprofit or other community-based organizations in public school buildings are also eligible to apply.

**2.5 My license/certificate/exemption is expired due to administrative delays in the licensing office, but I submitted my renewal application prior to expiration. Am I still eligible to apply?**

If the delay in processing your renewal application or annual filing is due to no fault of your own and your program has not been closed in the system, your program is still eligible and should wait until it has received the updated license/certificate/exemption.

**2.6 If a provider makes too much money, are they still eligible for a subgrant?**

Revenues received are not considered for eligible providers. As long as all eligibility criteria are met, a provider can apply for a subgrant.

**2.7 What if you opened a new location in April 2021, would that location be eligible?**

New locations opened after March 11, 2021 would need to meet eligibility requirement 1(B) listed in [question 2.1](#) to be eligible to apply for a subgrant. An exception would be applied for eligible providers that simply moved locations. In other words, a provider meeting all the requirements that permanently closed one location and opened a new location, would remain eligible even though the license number changed.

**2.8 If a provider received a PPP loan, is it still eligible to apply for this for this subgrant as well?**

Yes. DEL is not aware of any restrictions for eligible providers that receive PPP funding. Child care stabilization funds cannot be used for expenses covered by PPP.

**2.9 We are a religious exempt provider; can we apply for the subgrant?**

Yes. Please contact your local early learning coalition to request a copy of DEL memo dated February 9, 2022, that addresses additional questions regarding the "Use of CCDF Funds by Sectarian Child Care Providers."

**2.10 Is this subgrant not for registered homes?**

All provider types meeting the eligibility requirements may apply for a subgrant. Registered home providers should select a provider type of License-Exempt Family Home.

## Subgrant Awards

### 3.1 Will all eligible providers that submit an application receive a subgrant?

The Child Care Stabilization Subgrant Fund is significant enough to allow Florida to offer subgrants to all eligible child care providers that wish to receive funding. Eligible providers must submit an application in order to receive funding. Subgrant recipients are expected to comply with all subgrant terms and conditions as detailed in the application certification and described in the [ARPA Child Care Stabilization Subgrant Spending and Documentation Guide](#).

### 3.2 How are subgrant awards calculated and how much money will I receive?

Providers may access the [ARPA Stabilization Subgrant Calculator](#) to estimate the amount of its subgrant.

Subgrant awards are calculated based on the following factors at the time of application:

<b>Base Grant</b>	<b>Approved Enrollment</b>	The number of children <b>enrolled</b> in your program on the date of application. <u>Rates:</u> Infant to 24 months: \$867 per child 2 year old to Kindergarten Entry: \$702 per child School-Age: \$540 per child School Readiness: \$70.20 per child
<b>Supplemental Grant Criteria</b>		<b>Supplemental Grant Percentage of Base Grant</b>
Gold Seal or CLASS Score of 5.00 and higher in an area with a child care infrastructure deficit (desert)		10%
CLASS Score of 4.00 – 4.99 – SR Contracted ONLY		5%
CLASS Score of 5.00 and higher – SR Contracted ONLY (in addition to 4.00 – 4.99 supplement)		15%
Gold Seal		20%
Non-Traditional Hours (includes evenings, nights and weekends)		5%
Workforce Investment - provider agrees to use at least 25% of total grant amount above and beyond regular payroll and benefits at time of application on staff. See <a href="#">question 5.12</a>		10%

**3.3 How do I know if my program is located in an area with a child care infrastructure deficit (desert) and how was this determined?**

DEL identified zip codes which do not have adequate child care to meet current demand among families in Florida's School Readiness (SR) Program as infrastructure deficit areas (desert), using the Florida Index of Child Care Access. SR contracted providers with a CLASS composite score of 5.00 or higher (see above) or any provider (including SR contracted providers) with Gold Seal accreditation, physically located in an [infrastructure deficit zip code](#) are eligible to apply for the infrastructure deficit bonus.

**3.4 I participate in a local Star Rating Program (QRIS) and have a CLASS score of 5.0, but am not contracted for School Readiness. Will I still receive the extra bonuses for CLASS scores?**

No. Only contracted School Readiness providers are eligible for CLASS-related supplemental grant awards.

**3.5 Will the funds be dispersed based upon the number of children currently enrolled?**

Current enrollments of an eligible provider will factor into the subgrant amount. Providers can estimate their subgrant calculation in the [ARPA Stabilization Subgrant Calculator](#).

**3.6 My center is open until 9 pm, is this considered non-traditional hours?**

Yes. Non-traditional hours encompass evening, night or weekend care. Evening or night care means child care provided during the evening hours and may encompass the hours of 6:00 p.m. to 7:00 a.m. to accommodate parents who work evenings and late-night shifts. Weekend care means child care provided anytime on Saturday or Sunday. Providers must be recognized by the Department of Children and Families (DCF) or its Local Licensing Agency (LLA) as meeting this requirement to qualify for the non-traditional hours bonus. Although a program's schedule may include hours after 6:00 p.m. or before 7:00 a.m., it may not be licensed for evening, night or weekend care, as DCF/LLA may require additional steps to be taken for licensing. If the DCF [CARES website](#) does not accurately depict the appropriate/approved services, providers should contact their DCF/LLA license counselor with the discrepancy to get the CARES website updated and weigh the advantages and disadvantages of delaying an application.

## **Enrollments**

**4.1 If a provider delays the application while continuing to increase enrollments, will the funds still be available?**

Yes, adequate funding is available for all eligible providers that apply through June 30, 2022. If a provider believes they may have an increase in enrollments soon, it is their discretion to wait to apply for a subgrant.

**4.2 If a provider's enrollment is low, would it be wise to delay applying for the subgrant until enrollment increases?**

Providers expecting their enrollments to increase soon would benefit from waiting to apply. Since the calculated subgrant amount is largely impacted by the number of current enrollments, a provider could see a significant increase in subgrant dollars if more children are enrolled when they apply for a subgrant. Providers should weigh the advantages and disadvantages of delaying an application.

**4.3 Can I use enrollment from last month as opposed to this month since my enrollment was higher last month?**

Providers are required to report their current enrollments on the day they submit their application. Providers are to maintain documentation that supports their enrollment in the event they are selected for monitoring.

**4.4 Does an eligible provider include both private pay families and CCDF or Head Start families for the total enrollment that is reported in the subgrant application?**

Yes. Providers should report all current enrollments, for all families, including private pay families in their application. Each current enrollment, regardless of part-time or full-time status, is counted as “1”. Providers must also report children funded solely by Early Head Start, Early Head Start – Child Care Partnerships, and Head Start, as well as their enrollments in the School Readiness program.

**4.5 Some providers have wait lists due to the inability to hire staff. Should providers include wait list children in their enrollment count?**

No. Providers should only include current enrollments at the time of application.

**4.6 What if enrollment goes up after a provider applies for a subgrant?**

The subgrant amount is determined by the number of enrollments an eligible provider reports when the subgrant application is submitted. No adjustments occur after an application has been submitted. Providers should weigh the advantages and disadvantages to delaying the submission of an application in the hope of increasing enrollments in the near future.

**4.7 What if a provider is open but has zero enrollments, can they apply?**

No. Providers in this situation should delay applying for a subgrant until enrollments occur.

**4.8 If a provider has a few new enrollments starting in a few weeks should they be included as part of the enrollment?**

No, an eligible provider must submit the enrollment as of the date of application. Providers will need to weigh the advantages and disadvantages in delaying a subgrant application and make the best choice for their program.

**4.9 If an eligible provider adds enrollments at a future date while the application is under review, can an update for the additional amount be submitted?**

No. Once a provider submits an application, no enrollment updates can be submitted for additional enrollments.

**4.10 Are eligible providers to report full-time equivalent (FTE) enrollments?**

No. Each current enrollment, regardless of part-time or full-time status, is counted as “1”.

**4.11 With subgrant amounts being driven by current enrollments, what are providers supposed to do given the labor shortages that are creating wait lists?**

Providers should weigh the advantages and disadvantages of delaying the submission of an application in the hope of increasing enrollments in the near future. Eligible uses of the subgrant include sign-on bonuses for new staff, salary increases, and other personnel incentives.

**4.12 Does a provider count children who come only on closed school days, breaks and holidays as enrolled?**

Yes. Each current enrollment, regardless of part-time or full-time status, is counted as “1”.

**4.13 Are eligible providers able to include after-school only children when reporting current enrollment?**

Yes. School District sites are to only include children enrolled in the child care program and not all enrollments.

**4.14 Due to part-time enrollments or non-traditional hours, if the total number of current enrollments is more than the licensed capacity, is it ok to report in the subgrant application?**

Yes. Each current enrollment, regardless of part-time or full-time status, is counted as “1”.

**4.15 If a provider offers part-time and full-time care and total enrollment exceeds licensed capacity will that raise a flag to DCF that child-to-staff ratios are not being followed?**

No. DEL and DCF understand that some providers may provide current enrollment counts that exceed licensed capacity. Providers must keep adequate records to demonstrate how current enrollments were calculated, should they be selected for monitoring.

## **Allowable Use of Funds**

**5.1 How can eligible providers use the subgrant money?**

Eligible providers that receive a subgrant can use the funds for a variety of purposes:

- Personnel costs, staff benefits, premium pay, sign-on bonuses, recruitment, and retention
- Rent or mortgage payments, utilities, facilities maintenance, and insurance
- Personal Protective Equipment (PPE), cleaning and sanitation supplies/services, and training/professional development related to health and safety practices
- Equipment and Supplies; purchases of or updates to equipment or supplies to respond to COVID-19
- Goods and services necessary to maintain or resume child care services
- Mental health services for children and staff

Eligible providers may reference the [ARPA Child Care Stabilization Subgrant Spending and Documentation Guide](#) if they are unclear whether a certain expense fits into one of these categories.

**5.2 Are these funds to be used for past expenses or future expenses?**

Providers can use the subgrant funds for past eligible expenses or future eligible expenses through the reporting period. Please refer to [question 5.12](#) for allowable uses to meet the Workforce Initiative supplemental subgrant calculations.



**5.3 Would a Family Child Care Home (FCCH) be able to use subgrant funds to pay for home mortgage and utilities expenses?**

Yes. A FCCH eligible provider could choose to use subgrant funds to pay for home mortgage and utility expenses.

**5.4 Could a provider use the subgrant funds on remodeling the building?**

As long as the remodeling does not meet the definition of a ‘major renovation’ (see question 5.10), remodeling would be an allowable expense. Allowable facility maintenance and improvement may include, but are not limited to, building or updating playgrounds; renovating bathrooms; installing railing, ramps, or automatic doors; and removing non-load bearing walls to create additional space.

**5.5 Can an eligible provider use all the subgrant funds for payroll?**

Yes. A provider can use all the subgrant funds for payroll. Other personnel expenses that are eligible include staff benefits, premium pay, sign-on bonuses, recruitment, and retention.

Please note: Providers should plan on how they might be able to continue personnel benefits after the subgrant funding expires.

**5.6 Can you do a one time “bonus” per employee?**

Yes. A one-time bonus per employee for retention, hazard pay, or recruitment incentive is an eligible expense.

**5.7 Can an eligible provider use subgrant funds to buy a new hot water tank?**

Yes. This would be considered a facility maintenance expense. Eligible providers can also use the subgrant funds for minor renovations. However, the subgrant funds cannot be used for major renovations, which are defined as:

- 1) structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility, or the extension of a facility to increase its floor area.

OR

- 2) extensive alteration of a facility such as to significantly change its function and purpose.

**5.8 Can you please explain “to the extent possible” eligible providers are able to give relief from copayments and tuition?**

Eligible providers must determine how best to use the subgrant funds for their programs. If an eligible provider chooses to prioritize other eligible expenses over relief from copayments and tuition, providers have the right to do so. Providing copayment/tuition relief or discounts for families is also a permissible use of these funds. Relief or discounts should first be offered to School Readiness families, then to other families that struggle to pay for care, and then all other families.

***NOTE: For School Readiness, providers may not waive copayments, however, discounts equivalent to the copayment amount are allowable and must be properly tracked and documented. In addition, the monthly statement provided to families indicating all payments received and any remaining balance, must include the amount, date and type of financial relief provided (e.g., discounts, differential, enrollment fees, etc.).***

### **5.9 Will I receive a lump sum payment? If not, how will the funds be paid?**

The total award amount will be paid in three (3) equal installments. The first installment of one-third of the total award should be made within 30 days of application. The second installment (one-third) may be made 90 days after the first installment is paid and the third and final installment (one-third) may be made 90 days after the second installment. Both the second and third installments will require providers to submit a certification and support for funds usage as directed by DEL.

### **5.10 How long do I have to spend the funds?**

Funds must be expended no later than September 30, 2023. Failure to utilize the funds in a timely manner may result in delays for future payments.

### **5.11 What would be considered minor renovations and be allowable uses of the funds?**

Allowable facility maintenance, improvement, and remodeling may include, but are not limited to, building or updating playgrounds; renovating bathrooms; installing railing, ramps, or automatic doors; and removing non-load bearing walls to create additional space.

Other examples include:

- Having electrical repairs completed
- Install a fence or replace/repair an existing fence
- Installing or replacing/repairing a security system
- Repainting walls with a non-toxic paint
- Replacing cabinets with adequate storage space for each child's personal belongings
- Replacing/repairing an existing roof
- Replacing/repairing existing windows
- Replacing/repairing existing concrete steps or sidewalk to provide a safe pathway
- Removing a tree or other vegetation in an outdoor area
- Replacing/repairing an existing porch
- Replacing/repairing asphalt at program location
- Replacing/repairing existing flooring
- Replacing/repairing existing appliances
- Replacing/repairing an existing HVAC system to improve ventilation to ensure the health and safety of children
- Replacing fire sprinklers, carbon monoxide detectors, and smoke detection systems
- Updating or renovating a kitchen for the child care program
- Upgrading the kitchen to add safe electrical outlets and fix plumbing fixtures

**5.12 If I agree to the Workforce Initiative bonus, how can I spend the money?**

Programs receiving the Workforce Initiative must use at least 25% of **TOTAL** subgrant amount on staff to increase wages and benefits (bonuses, wage increases, health care, retirement, educational advancements, or tuition reimbursement). These expenses must go above and beyond regular payroll and benefits paid at the time of application.

**5.13 Can subgrant funds be used to pay back loans and/or depleted reserves that were necessary to pay expenses and keep my doors open?**

If due to lack of revenue a provider used personal charge cards or personal savings or obtained a loan or deferred payment to cover documented early child care/education expenses, these funds can be used to repay those expenses if they occurred after January 31, 2020.

**5.14 Is depreciation an allowable expense?**

No.

**5.15 Can an owner/operator who was not able to pay themselves use subgrant funds for back pay to self?**

Yes, the owner/operator can pay themselves for lost wages back to January 31, 2020.

**5.16 Can an owner/operator who used personal funds to keep business afloat repay themselves?**

If due to lack of revenue a provider used personal charge cards, used personal savings, obtained a loan or deferred payment to cover documented early child care/education expenses, these funds can be used to repay those expenses if they occurred after January 31, 2020.

**5.17 Since these funds will be taxable, can eligible providers estimate the amount of tax and use funds to pay this tax amount?**

No. Funds are intended for operating expenses. Providers may use funds to pay operating expenses normally covered with other funds and utilize those other funds to pay taxes.

**5.18 Could an eligible provider use the subgrant funds for meditation coaches, Reiki sessions, etc. versus 'western medicine' approaches?**

Yes, the wellbeing of caregivers is also important to stabilizing the child care sector because the mental health and wellbeing of staff impacts training, recruitment, and retention as well as the level of care provided to children. Mental health consultations for staff and other types of mental health supports to staff are also allowable. Funds used to support mental health should be delivered by a qualified individual and appropriate documentation of the expense should be maintained.

**5.19 Can funds be used for administrative work, cleaning expenses, transportation costs, COVID-19 testing for staff, etc.?**

Yes. Funds can be used for any reasonable expense necessary to run your business.

## Application Specific

### 6.1 I don't see my provider type on the application. What box should I check?

For ARPA stabilization subgrants, federal reporting includes four provider types that must meet the CCDF health and safety requirements, including background screenings –

Provider Type	Example
Licensed Family Home	Licensed Family Child Care Homes (FCCH), including Large FCCHs
Licensed-Exempt Family Home	Registered Family Day Care Homes
Licensed Center	Licensed Child Care Facilities
Licensed-Exempt Center	Exempt Child Care Centers, including Religious and School District sites

### 6.2 Do I have to have an EFSM Provider ID and if so, how do I get one?

Providers that have not previously completed a Child Care Resource and Referral provider profile can log onto the Early Learning Provider Portal and create a profile. An EFSM Provider ID will be assigned at that time.

### 6.3 I work for a corporation. Whose information do I use to report race, ethnicity, and gender since they are required fields?

If the owner is a corporation or partnership, use the information of the on-site director.

### 6.4 Which CLASS score do I use?

School Readiness contracted providers are to select the latest composite CLASS score received from the local Early Learning Coalition or its designee, or Exempt, as applicable. Non-SR contracted providers are to select 'none'.

### 6.5 I opened in April 2021, how do I know if my center meets the CCDF health and safety requirements needed to apply?

In Florida, CCDF health and safety requirements can only be met when contracting for School Readiness. Current CCDF health and safety requirements can be found on the Florida Early Learning website - [here](#).

### 6.6 How do I calculate my average monthly operating expenses?

If not recorded monthly, providers may sum all operating expenses that fall into the listed categories on the application for the year and divide by 12 to determine the average monthly costs. For examples of each category, please refer to the [ARPA Child Care Stabilization Subgrant Spending and Documentation Guide](#).