



Office of Child Care Stabilization Grants Frequently Asked Questions

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GENERAL

What is the purpose of the stabilization grants?

The Office of Child Care's stabilization grants are intended for providers facing financial burdens due to the COVID-19 pandemic. The funds will assist in stabilizing the child care sector, and supporting the needs of children, parents and the child care workforce.

How can the funds be used?

Eligible child care providers may use the funds on key operating expenses including:

- Personnel costs
- Rent or mortgage
- Utilities, maintenance or insurance
- Supplies
- Services necessary to maintain child care services
- Mental health services

How much funding is available?

The Office of Child Care will be releasing approximately \$250 million in funds to eligible providers through stabilization grants. Grant amounts will be based on the license capacity of providers.

How will grant amounts be calculated?

The base rate of \$350 per child will be multiplied by the license capacity to determine the monthly grant amount.

$$\text{per child rate of } \$350 \times \text{license capacity} = \text{grant base rate}$$

If a program is open less than 21 hours per week, their base rate will be reduced by 50%. The minimum payment will be based upon a licensed capacity of 8.

Is there additional funding available?

There will be an enhancement available of \$50 per licensed capacity slot to providers that pay or will pay, upon receipt of the stabilization grant, a minimum of \$15 per hour for over half of their staff.

per child rate of \$400 x license capacity = enhancement rate

Why did the Stabilization Grant rates increase?

Effective May 2022, the base rate and enhanced payment rate have increased. The new rates are \$350 for the base rate and \$400 for the enhanced base rate. While re-evaluating budget projections, the Office of Child Care determined that stabilization grant funding can accommodate an increase in the rate through September 2023.

How long do I have to pay staff a minimum of \$15 per hour to maintain enhanced grant rate?

A provider has 60 days within receiving the enhanced payment to pay the majority (51% or higher) of staff a minimum of \$15 per hour.

What is considered full-time or part-time for staff work time and hours that children are enrolled?

Full-time and part-time hour designations are the same for staff work time and hours that children are enrolled:

- Full-time: 21 hours or more per week
- Part-time: 20 hours or less per week

How do I change the email correspondence for this grant so I receive updates?

Contact your licensing consultant to update agency contact information in our licensing system. Note that the correspondence will be sent to the email address listed in Child Care Licensing and Care About Childcare.

We are currently operating at reduced capacity due to COVID-91. Is this considered our current capacity or is the grant award based on licensed capacity?

The calculation of grant award amount is based upon licensed capacity, with the intent that these funds will help agencies return to full operation levels.

If my program is determined eligible but then my license is in the revocation process is my program still eligible?

Your program is no longer eligible because your program is no longer in good standing during the revocation process.

Do we determine who needs financial help or is there an annual income guideline that we can follow? What is considered “struggling”?

The provider will provide relief from copayments and tuition payments for the families enrolled in the provider’s program, to the extent possible, and prioritize relief for families struggling to make either type of payment. If a provider is unable to provide relief from copayments and tuition payments for all families enrolled in the program, they should prioritize doing so for families most in need of relief and target families earning below 85 percent of the State Median Income.

Are providers required to provide tuition or copayment relief to families if they accept Child Care Stabilization Base Grant funds?

No. Programs are encouraged but not required to offer tuition relief to families. As a condition of this grant, you must certify that you will provide relief from copayments and tuition payments for families enrolled in your program, to the extent possible, and prioritize such relief for families struggling to make either type of payment. To meet this obligation, you must consider whether you are able to provide tuition relief to families with the grant dollars. Tuition or copayment relief would be reported under Goods and Services for monthly reporting.

Are all program staff required to be vaccinated against COVID-19 to get stabilization grant funds?

All program staff are required to follow local, state and federal public health requirements in the fight against COVID-19. However, receipt of a Stabilization Grant does not count as a federal government contractor which would require vaccination.

Who can I contact with questions?

Questions can be sent to occstabilization@utah.gov.

QUALIFIED PROVIDERS

Who is eligible to receive a stabilization grant?

Providers are required to have been licensed no later than March 11, 2021*, and meet state and local health and safety requirements at the time of application, being open and serving children during the grant period. Applicable providers include:

- Licensed Centers
- Licensed Family Home Providers
- DWS Approved, License Exempt Center
- DWS Approved, Exempt School Age Program
- Residential Certificate Providers
- DWS Approved, Out of School Time Programs
- Commercial Preschools (effective May 1, 2022)

*Effective May 1, 2022, programs licensed *after* March 11, 2021, could be eligible for the Stabilization Grant.

When do providers have to be open in order to be eligible to receive grants?

To be eligible to receive these funds, providers must be operating and serving children at the time of application and must continue to serve children during the entire grant period.

Why aren't new programs eligible?

The ARPA (American Rescue Plan Act) federal legislation requires that to be eligible a child care provider must be licensed, regulated or registered in the state as of the date the ARPA was enacted, which was March 11, 2021*.

*Effective May 1, 2022, programs licensed *after* March 11, 2021, could be eligible for the Stabilization Grant.

If I purchase a child care program, will their Stabilization Grant funding transfer to me?

No, a change in ownership would require a new application. As a reminder, since the license would be received after March 11, 2021, we would need verification of the initial license date of the previous ownership.

If I sell my program, what happens to my Stabilization Grant funding?

If a child care program is sold to a new owner, all grant payments will cease upon the change of ownership notification. The previous owner will still need to provide verification of use of grant funds up to the point the business is sold and may be subject to repayment of funds.

CLOSURE

What if I am temporarily closed due to COVID-19? Can I still apply?

Providers who are temporarily closed for up to two weeks (per occurrence) due to COVID-19 may apply for the Child Care Stabilization Grant. Reasons could include:

- Temporary closure due to public health guidance issued by the Utah Department of Health and/or the provider's local public health agency;
- The program temporarily closed days due to the license holder and/or primary care provider having a positive COVID-19 test result or "close contact" exposure.

What is the definition of temporarily closed due to a public health emergency, financial hardship or other reason related to COVID-19?

Temporary closures should be brief in nature. A facility may have to close to allow cleaning and sanitation time due to an exposure to COVID-19.

My program is not currently serving children due to a quarantine order from our local health department. Am I considered closed?

If your program is generally open and operational, but is not serving children at the time you apply due to a quarantine order, you are considered “open” for the purposes of the grant program as long as the anticipated period of closure is no more than two weeks.

My program is temporarily closed or does not care for children during the summer. Does the Stabilization Grant funding end?

- If your program temporarily closes for the summer and does not care for children, you may continue to receive Stabilization Grant payments for administrative expenses within allowable categories. Examples may include:
 - Professional development and training for staff
 - Mental health support for staff
 - Facility maintenance and improvements
 - Rent, utilities and insurance
 - Goods and services

If your program will be closed for the summer month(s) and you will not have expenses in the allowable categories you must notify of your program closure by emailing occstabilization@utah.gov the expected date of closure and anticipated return date.

Failure to notify the Office of Child Care in a timely manner will result in overpayment or recoupment of payment.

My program is permanently closed and I am not planning to reopen. Am I eligible to receive the Stabilization Grant funding?

Any program that has closed permanently - meaning their license or approval to operate has been withdrawn - is not eligible to receive grant funding.

If I decide to close permanently, do I need to give the money back?

Programs that permanently close are expected to notify occstabilization@utah.gov prior to their date of closure. Funds received prior to the date of closure may be used for approved expenses, including making outstanding rent, mortgage, utility, and/or insurance payments or severance payments to staff. Any funds received after the date of permanent closure will need to be returned to the Department of Workforce Services.

If my program closes, will I have to pay back funds?

If your child care program closes, you must return any unspent funds.

APPLICATION

Where can I apply for a stabilization grant?

Applications available on careaboutchildcare.utah.gov. Information about the grant program, including a link to the application portal and instructions on how to apply, is available at jobs.utah.gov/covid19/covidocc.html.

For your convenience, portions of the application have been pre-filled with information from the child care licensing database. To verify and to complete the remaining required application fields, you must have the following information:

- Information about your facility, including the number of children currently enrolled; if you were a recipient of the Operations Grant; if you have an outstanding overpayment for the Operations Grant or Subsidy payments.
- Your facility's operational status, including whether you are open or temporarily closed and estimated monthly expenses in areas where Stabilization Grant funds are allowed.
- A plan to show how you will maintain sustainability of your program after the Stabilization funds are no longer available.

Can I fill out a paper application?

No, paper applications are not accepted. All applications must be completed online through careaboutchildcare.utah.gov.

Is the grant application available in languages other than English?

Yes, the application can be translated into other languages using the Google Translate the Page service.

Is there a deadline to apply for this grant?

Yes. The deadline to apply is July 31, 2022, by 11:59 p.m. Applications may close prior to that date pending funding availability.

What is the timeline for the distribution of funds?

- December 1, 2021 - applications available
- January 2022 - monthly stabilization grants begin
- April 1, 2022 - monthly reporting begins
- Jun 30, 2022 - **increased grant payments due to increased licensing capacity will no longer be approved**
- July 31, 2022 - applications close and enhanced base rate opt-in not allowed
- September 6, 2023 - final payments made

What documentation is required in the grant application?

- W-9

- Payroll report
- Liability Insurance with DWS as a certificate holder and required limits
- Current capacity and enrollment data
- Stability plan

Do I have to upload any documents as part of my application?

Yes, you are required to upload documents to submit your application.

What documents are required to be uploaded with my application?

- Copy of your program's W-9
 - The business name and address must match the information provided to the IRS as well as your Child Care license information; form must be signed and dated.
- Copy of Liability Insurance for your program
 - DWS needs to be added as a Certificate Holder to your policy. DWS must be notified if you cancel the insurance. Address: Department of Workforce Services, 140 East 300 South, Salt Lake City, Utah 84111.
 - The insured party name for the certificate of insurance must match your program/organization name in which you are applying for the grant.
 - Liability insurance amounts are based on provider type:
 - Centers: \$1 million per incident and \$3 million aggregate
 - Family Child Care (Licensed for up to 16 children): \$1 million per incident and \$2 million aggregate
 - Family Child Care (Licensed for up to 8 children) and Residential Certificates: \$500,000 per incident and \$1 million aggregate
- Payroll documentation (see Payroll FAQ for more information)

Will I need to verify payroll for my staff?

Yes, you must verify and upload payroll documentation that verifies hourly wage or salary for all individuals associated with your program according to Child Care Licensing records.

What happens if the W-9 information does not match my Child Care license information?

You will receive a request for further documentation with the correct information.

Why do I need to provide my W-9 as a part of the application?

The Internal Revenue Service requires the Department of Workforce Services to obtain a Federal Employer Identification Number to report what is paid to issue a Tax Form 1099.

How long will it take to receive a decision?

Applicants will be contacted within 30 days about their application.

If my application is not approved will I be informed about the reason for denial?

Yes, a notification email regarding application decisions will provide the reason(s) your application was not approved.

How will the stabilization grants impact operations grants?

Operations Grants ended December 31, 2021. If you received an Operations Grant, your first stabilization grant payment may be adjusted if you received a Stabilization Grant in December.

How can I check the status of my application?

You can check the status of your application anytime by clicking on the Child Care Stabilization Grant tile for your program(s) on careaboutchildcare.utah.gov.

How will I know if my application has been approved for payment?

You will receive an email at the email address associated with your Care About Childcare account. You can check the payment amount approved by clicking on the Child Care Stabilization Grant tile on careaboutchildcare.utah.gov.

How will I know my application was submitted correctly?

After submitting your application, you should receive a confirmation page indicating your application submitted successfully. It will show the status and provide an application ID. If you go back to a blank application, the application did not submit and will need to be submitted again. Try changing the document upload format to a photo format, such as .jpg or .png.

What happens after I submit my application?

After submitting your application, you should receive a confirmation page indicating your application submitted successfully. It will show the status and provide an application ID. Workforce Services staff will review your application and reach out to you if additional information is needed to process your application.

Can I make changes to my application after it has been submitted?

No. Please read each question on the application carefully and review your answers before submitting. Once the application has been submitted, it will not be available to edit. If you have concerns about the answers on your grant application, email occstabilization@utah.gov. Remember this application requires you to legally attest that everything entered is correct to the best of your knowledge.

If I am eligible and apply for a grant, am I entitled to receive the grant?

The Child Care Stabilization Grant is not competitive. All providers that are eligible and apply should receive a grant. The Child Care Stabilization Grant is a formula grant, meaning awards are determined based on the federal funding priorities for this program. Awards are distributed to all programs that meet eligibility criteria and submit a complete application.

Can I apply multiple times?

No, there is only one grant per eligible applicant. Only those applicants who are applying for multiple child care sites/locations may submit multiple applications.

Can anyone complete the grant application?

Individuals with the Child Care Licensing role of Owner or Director are eligible to complete the application. If you do not see the Child Care Stabilization Grant tile under Grants in Care About Childcare, review your roles with Child Care Licensing. Please note that the person completing the application is certifying the child care provider will meet the funding requirements.

My program's license capacity is not correct in my application for my current capacity. What should I do?

The License Capacity listed in the application is pulled directly from Child Care Licensing. If the capacity listed in the application is not correct please contact your licensing specialist.

PAYROLL

What is payroll documentation?

- Sole proprietors should provide a copy of the Schedule C tax document to verify their tax filing status.
- Home Family providers should include the total amount you pay yourself, if allowed.
 - Examples of documents needed for reporting of salaries for family child care providers:
 - Provide a document showing your calculation for your monthly salaries as follows including hours worked per pay period or week and hourly wage.
- Child Care Center or large businesses
 - Examples of documents needed for reporting of salaries for child care centers or large businesses for showing hours worked, hourly wage, gross pay for each individual associated with your program in Child Care Licensing
 - Payroll records
 - Staff bonuses
 - Venmo records and verification

- Canceled checks and verification

Do I have to report all employees individually or can I report the entire group?

Documentation must be provided for staff individually.

Are sole proprietors eligible for the enhanced base rate option?

No. According to tax rules, sole proprietors are considered self-employed and are not employees of the sole proprietorship. They cannot pay themselves wages, cannot have income tax, social security tax, or Medicare tax withheld, and cannot receive a W-2 from the sole proprietorship. Therefore we are not able to verify the enhanced base rate criteria of paying 51% of your staff \$15 per hour.

How do I report that I have hired employees and request the enhanced payment?

You will be able to opt in to the enhanced payment option with your monthly report.

I am an owner/director, but am not on the payroll. Am I eligible to receive the enhanced payment?

The enhanced payment is intended to support increased wages for full-time or part-time staff members. A Family Home Provider who is an active employee and who is directly providing care or oversight of daily operations is eligible. A Director/Owner who is engaged in the day to day operations of the agency or who is considered a full-time or part-time employee of the agency would be eligible for the retention award.

Do I have to pay all of my staff a minimum of \$15 per hour?

To continue to receive the enhanced payment rate of \$400 per licensed capacity slot, you are required to pay 51% of your staff a minimum of \$15 per hour. This could include but is not limited to board members, contractors, temporary staff and full- or part-time employees.

What if I did not meet the requirement of paying 51% of my staff a minimum wage of \$15 per hour within 60 days of the first grant payment?

If there is indication that a provider has failed to meet Child Care Stabilization Grant Program requirements, it may result in discontinuation of future grant payments and recoupment of payments already made and/or referral to DWS Internal Audit for additional action.

PAYMENT AND FUNDING

What if my check is lost, stolen or damaged?

Provide details in an email to occstabilization@utah.gov.

How long will it take to receive my grant funding after being approved for payment?

Stabilization Grant funds for newly approved grants will be issued as a check mailed out the Wednesday after the application has been approved. You should receive the check within 10 business days, depending on mail schedules.

Ongoing monthly payments will be mailed the first Wednesday of each month. Please allow up to ten (10) business days, depending on mail schedules.

Will the funding be issued in one or multiple payments?

Programs will receive fixed monthly payments. The number of monthly payments will vary, depending on when a program submits their application and the months of the year that the program is open and serving children.

Are the payments taxable?

All payment programs are taxable income. For further questions on how these funds impact your tax situation, please consult with a CPA or tax expert.

Will I receive a 1099?

Yes.

How will I report this on my taxes?

Your child care facility will receive a 1099 that would assist in the tax filing process.

Can I get these funds and subsidy payments at the same time?

Yes. Providers may receive subsidy payments during the grant period.

How long do I have to spend the grant funding?

This funding is critical in assisting with stabilizing child care and assisting families. Therefore, you will need to spend the grant funding within two calendar months after receiving it. Payment will be adjusted if all funds are not spent in a timely manner.

Note: Expenses cannot have already been funded by a prior Child Care Development Fund program or reimbursed by another state or federal fund source.

Do I have to accept the full Grant award?

No, on the application you can request to receive a lesser amount than the Office of Child Care has estimated for the type of care you provide, if the grant award exceeds your operating expenses.

I don't think my grant award was calculated correctly. What should I do?

If you have questions about how your grant award was calculated, please contact the Child Care Stabilization Grants team at occstabilization@utah.gov.

My information has changed since I first applied. Will my grant award change?

If you experience a change in your licensed or approved capacity, your operational status or your location, your grant award may be adjusted accordingly. Changes to your licensed or approved capacity or location should be reported to Child Care Licensing or appropriate regulatory agency. You may report changes to your operational status to occstabilization@utah.gov. Please include your application number in the subject line.

Under what circumstances would the Office of Child Care stop issuing grant payments?

Programs' receipt of grant payments is contingent on their compliance with the grant terms and conditions. OCC may stop issuing grant payments to programs when:

- There is a founded case of abuse and/or neglect against a provider
- A provider loses their licensed or regulated status
- A provider chooses to permanently close
- Monthly Reports are not completed in a timely manner

OCC may stop issuing grant payments when funding is no longer available.

Do I need to return funds that I received and am not able to spend on allowable items during the expense period?

Yes, programs are required to repay all unspent funds.

What are the consequences for a provider who applied for and accepted these funds not meeting the funding requirements?

If there is indication that a provider has failed to meet Child Care Stabilization Grant Program requirements, it may result in discontinuation of future grant payments and recouplement of payments already made.

Are there any circumstances where I will be required to pay these funds back?

These funds do not constitute a loan and child care providers who comply with funding requirements will not be required to pay them back. However, funding recipients found to have violated the terms of the application process or certification may have prior payments recouped and future payments discontinued.

ALLOWABLE EXPENSES

What are allowable expenses?

Programs that spend grant funds on allowable uses will be considered compliant with this certification. Family home providers will need to follow the IRS Publication 587 and utilize the Time-Space percentage formula when using funds for allowable expenses. For further questions about the Time-Space percentage, please consult with a CPA or tax expert.

Can these funds be used to help cover the costs of consulting with a tax preparer?

Yes, as this is a business expense.

What is the timeframe I need to spend the funds?

The Stabilization Grant funds are intended to cover expenses in the month funds were issued. For example, funds received for January are expected to cover expenses incurred in January. However, we have allowed for some flexibility for liquidating the funds with the understanding that depending when the check was mailed and received, it could impact when expenses are paid. Therefore, you will need to spend the grant funding within two calendar months after receiving it. Payment will be adjusted if all funds are not spent in a timely manner.

Note: Expenses cannot have already been funded by a prior Child Care Development Fund program or reimbursed by another state or federal fund source.

How can I spend these funds?

Funds must be spent on the following to support necessary and reasonable costs of maintaining or enhancing high-quality care:

- Personnel costs: Wages and benefits for child care program personnel, including increases in compensation for any staff in a child care center or family child care providers and their employees; health, dental and vision insurance; scholarships; paid sick or family leave; and retirement contributions.
 - Other examples of allowable personnel costs include ongoing professional development or training, premium or hazard pay, staff bonuses and employee transportation costs to or from work. Funds may also be used to support staff in accessing COVID-19 vaccines, including paid time off for vaccine appointments and to manage side effects, as well as transportation costs to vaccine appointments.
 - Professional development on social/emotional curriculum or trauma and purchasing related materials (e.g., books, videos).
- Rent, utilities, and insurance: Rent (including rent under a lease agreement) or payment on any mortgage obligation, utilities, facility maintenance or improvements, or insurance. It also may include late fees or charges related to late payment.
- Facility maintenance and improvements: Subgrant funds may not be used for construction or major renovations.
 - Acceptable expenses may include, but are not limited to, building or upgrading playgrounds, renovating bathrooms, installing railing, ramps, or automatic doors to make the facility more accessible, and removing non-load bearing walls to create additional space for social distancing. In addition, maintenance and minor renovations to address COVID-19

concerns are appropriate, as are any facilities improvements that make programs inclusive and accessible to children with disabilities and family members with disabilities. Please inform your Child Care Licensing Specialist about any planned renovations.

- Personal protective equipment, cleaning, and other health and safety practices: Personal protective equipment (PPE), cleaning and sanitization supplies and services, or training and professional development related to health and safety practices.
 - Uses of funds under this category are not limited to those designed specifically in response to the COVID-19 public health emergency and may include equipment, supplies, services and training that support meeting state and local health and safety guidelines, including those related to the prevention and control of infection diseases, prevention of sudden infant death syndrome and use of safe sleep practices, administration of medication (consistent with standards for parental consent), prevention and response to emergencies due to food and allergic reactions, building and physical premises safety, prevention of shaken baby syndrome and abusive head trauma and child maltreatment, response planning for emergencies from a natural disaster or a man caused event, handling and storage of hazardous materials and the appropriate disposal of bio contaminants, appropriate precautions in transporting children, pediatric first-aid and CPR, and recognition and reporting of child abuse and neglect.
- Equipment and supplies: This category includes purchases of or updates to equipment and supplies to respond to the COVID-19 public health emergency.
 - So long as the equipment and supplies are in response to the COVID-19 public health emergency, they may include indoor and outdoor equipment and supplies that facilitate business practices consistent with safety protocols and developmentally appropriate practice, as well as business items needed to respond to new challenges, such as business software and upgrades.
- Goods and services: Any material goods or service necessary for the operation of a child care program.
 - Examples of goods that might be necessary to maintain or resume child care services include food and equipment and materials to facilitate play, learning, eating, diapering and toileting, or safe sleep.
 - Examples of services that are allowable include business automation training and support services, shared services, child care management services, food services, and transportation.
 - Relief from copayments and tuition payments for families
 - This category also covers fees associated with licensing and costs associated with meeting licensing requirements.

- Mental health supports: Providers may use these funds to support the mental health of children and employees.
 - Infant and early childhood mental health consultation (IECMHC), an evidence-based, prevention-based strategy that teams mental health professionals with people who work with young children and their families to improve their social, emotional, and behavioral health and development in the settings where children learn and grow, is one example of an allowable mental health support. Funding for one-on-one child support for behavioral needs.
 - 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 support and reimbursements to staff are also allowable. Program consultation services for mental health or mental health related programs.

Under this grant, how can I apply for the funding to expand my center? Right now I have home-based child care. I am looking to put a small addition on my home, which will allow me to expand to a Group Family Child Care Center.

These funds cannot be used for expansion or new construction. Stabilization Grant funds can only be used for repairs/improvements, not additions/expansions.

Do I need to spend the money on the same categories every month?

No, you can change the categories that the money is spent in each month. However, it must be spent on the categories allowable for the grant as defined in the grant agreement.

Do I need to save and submit receipts associated with this grant?

Yes. Providers must save the receipts for purchases made with these grant funds for six years. Providers may be asked to submit these receipts to Workforce Services. If a provider is unable to provide receipts and documentation upon request, they may be required to repay part or all of the grant funds.

Can I use the money for start-up costs for a new facility?

Child Care Stabilization Grant funds are intended to help existing programs remain stable during the pandemic. Grant funds may not be used to open a new facility or re-open a program that has permanently closed. However, grant funds may be used for general operating expenses and can free up other revenues, such as private tuition or subsidy payments as needed. Available Workforce Services grant opportunities can be found at jobs.utah.gov/department/rfg/childcare.html.

What are minor renovations?

The following are examples of minor renovations, which are allowable expenses:

- Upgrading the kitchen to add safe electrical outlets and fix plumbing fixtures.
- Installing new HVAC to improve ventilation.
- Installing smoke detectors, a sprinkler system, or other fire warning device.
- Installing secure storage for hazardous materials.
- Replacing or installing cabinets to provide adequate storage space for each child's personal belongings.
- Remediating lead paint and/or lead pipes.
- Repainting walls with non-toxic paint.
- Improving food preparation areas.
- Installing room dividers.
- Improving internal play space.
- Installing age-appropriate plumbing, such as child-sized toilets and sinks.
- Purchasing materials and play equipment to improve outdoor spaces.
- Install plexi-glass barriers to a program entrance.
- Expand outdoor play and gathering spaces.
- Replacing windows or doors.
- Completing minor roof repair.
- Removal of non-load bearing walls to create additional space for social distancing.
- Updating sidewalks to provide a safe pathway for children.
- Installation of rails and ramps to increase accessibility for individuals with disabilities.

What are major renovations?

Major renovations, construction or the purchase or improvement of land are not allowable expenses. Major remodeling or renovations are not allowed for these funds.

Major renovations 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, even if such renovation does not include any structural change.

The following are examples of capital improvements or major renovations:

- Structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility (minor renovations are allowable)
- Alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change
- The purchase or improvement of land and/or facilities

If you have questions on whether an expense is a minor or major renovation, please contact occstabilization@utah.gov.

Do I need to submit receipts?

You are not required to submit receipts with your monthly reports, unless requested by Workforce Services. However, child care programs are required to maintain receipts for all expenses associated with this funding for a period of six years.

Do receipts need to be dated during a certain period?

All expenses and receipts need to be dated December 1, 2021 - September 30, 2023.

Will I need to do a monthly and/or final report?

Programs will need to complete monthly reports beginning 60 days after authorization. Programs will be required to report what amounts have been spent in each of the allowable categories.

What are the consequences for a provider who applied for and accepted these funds not meeting the funding requirements?

If there is indication that a provider has failed to meet Child Care Stabilization Grant requirements, they will receive written notice and have an opportunity to clarify and/or correct any non-compliance. Failure to make the required corrections, and/or indication that a provider provided false or misleading information to the Department of Workforce Services with regard to the funding requirements, may result in discontinuation of future eligibility for grant funds, recoupment of payments already made, and/or referral to DWS Internal Audit for additional action.

For staff mental and physical health can we purchase some workout equipment for staff for an on-site workout area at our daycare?

Workout equipment is not an allowable purchase.

Where do I put my car cost if the car is used specifically for child care transportation?

Please put this information on the Goods and Services section.

- The Office of Child Care Information Memorandum regarding ARPA Stabilization grants specifies that transportation is an allowable cost. Based on this, providers are allowed to use funds to cover costs associated with using a vehicle for business purposes (including payments, repairs/ maintenance, gasoline costs based on the federal mileage guidelines of 56 cents per mile, the portion of vehicle insurance that correlates with the percentage of time the vehicle is used for child care purposes exclusively). Providers can only use the funds to cover costs associated with the business and should allocate costs accordingly.

What is the CFDA number?

The CFDA is 93.575.

TAX CONSIDERATIONS

How do I pay myself if I am a sole proprietor?

If you are a sole proprietor paying yourself, you need to have (1) proof of payment such as a payroll report or pay-by-check, bank transfer, or app payment where it documents that this was payroll for a given period in the memo section and (2) it does not exceed revenue for the same time period. For example, if you took in \$1,000 for the month in revenue, you could not claim payroll of \$1500.

How does a sole proprietor pay themselves?

A family child care provider or owner may enter what you pay yourself in salary equivalent. To find this number, you could use the number from Line 31 of your 2021 Schedule C. The amount listed reflects your net annual income (your “take home” pay for calendar year 2021 after paying the financial obligations and operating expenses of your child care business). Divide the number listed on line 31 by 12 months if you want to determine your average monthly net pay. This is a reasonable number to use as your salary equivalent (net profit) for March 12, 2021 through the date you prepare your grant report.

If I pay myself, how much will I owe in taxes?

It will depend on your personal finances. For most providers, this may be about 30-40% in taxes. Please consult with your account or tax advisor for your specific situation.

Can I use the stabilization grant funds to pay my federal taxes?

No. Using Child Care Stabilization Grant funds to pay federal taxes is not an allowable expense. For further guidance on the tax implications of the Child Care Stabilization Grant, please contact your accountant or financial advisor. You may use grant funds to pay for an accountant or financial advisor.

Can payroll taxes be included in my personnel costs?

Yes, payroll taxes are an allowable operating expense. For more information, go to the Code of Federal Regulations CFR 200.470.

Can I use grant funds to pay property tax?

Yes. Your regular property tax expense is part of your regular mortgage payment. You may not use grant funds to pay property tax debt. For more information, go to the Code of Federal Regulations CFR 200.470.

Can I use grant funds to pay for financial consultation to help me consider how to use the grant funds?

Yes. Working with a financial consultant is an allowable operating expense. It might show up in your budget as a professional services line item.

It is important to know you cannot claim expenses already paid for by:

- The Paycheck Protection Program
- Employee Retention Tax Credit
- Families First Coronavirus Relief Act (such as Emergency or Family Leave)
- Any other stimulus and relief funding program

MONTHLY REPORTING

How will I be notified of the monthly report?

Providers were notified via email of monthly reports available to complete on April 4, 2022.

How will I complete the monthly report?

The monthly report will be completed as part of your Child Care Stabilization Grant application in Care about Childcare. You will be required to report how you spent the Stabilization Grant funds in each allowable area. Click on the due date to open the monthly report.

When will the monthly reports be due?

Monthly grant reports are due 60 days after authorization. For example, if the Stabilization Grant application was approved on January 5, 2022, then the January Monthly Report would be due March 5, 2022. Remember to save the receipts for purchases made with these grant funds for six years. You may be asked to submit these receipts to Workforce Services.

Why does my monthly report show as overdue?

Overdue status indicates that a monthly report was not submitted within 60 days of the payment issuance. This message is automatically generated based on the application date regardless of reporting system availability. Complete all due and overdue reports by the 5th of the following month.

What happens if I do not submit a monthly grant report within 60 days after authorization or my monthly report is overdue?

Your monthly grant issuance will stop or pause until the monthly report is completed.

What happens if I do not submit my monthly report by the 5th of each month?

Failure to submit a monthly grant report by the due date will result in a delay or stop issuance of your grant payment.

How do I keep track of my expenses?

- Providers are responsible for keeping track of the monthly expenses, invoices, receipts and/or ledgers.

- Providers can keep track of these expenses using a method that works best for your program.
- For example, providers create and use a spending log or excel spreadsheet to document monthly expenses and save supporting documents to verify the expenses.
- Remember to save the receipts for purchases made with these grant funds for six years. You may be asked to submit these receipts to Workforce Services.

How will I report payroll on the monthly report?

See [Payroll FAQ](#) above.

How do I report that I have hired employees and request the enhanced payment?

- You will be able to opt in to the enhanced payment option with your monthly report.
- Check the "OPT IN" option on your monthly report.
- One full month of payroll documentation will be required to be uploaded with the monthly report.
- Payroll verification of the \$15 per hour for 51% of your staff is required on a monthly basis to continue your ongoing eligibility to receive the enhanced payment.

How can I upload my report(s) that show overdue?

Click on the OVERDUE link for each month and it should take you to the monthly report.

Am I required to submit a monthly report and expenses for December?

You are not required to submit a monthly report for December. This is a current defect that is in the process of being fixed.

Where do I report parent scholarships or supplemental parent payments?

Report under the Goods and Services section, under "Other goods and services" and provide details in the description box.

How do I upload multiple documents?

You will only be able to upload one file. Try to combine all files into one file format or you can upload the additional documents to your application through the Child Care Stabilization Grant tile on [Care About Childcare](#).

How do I upload additional documents?

Upload the additional documents to your application through the Child Care Stabilization Grant tile on [Care About Childcare](#).

- Click the Application link
- Scroll down.
- Click the Upload Additional Files button and select the appropriate file type.

- Multiple document uploads are accepted.
- Save files with month/year identified.

For the monthly reports, do I need to list expenses that exceed the amount of the grant?

Enter the Monthly Grant Expenditure amounts utilized from the Stabilization Grant only. Do not enter your total monthly expenses if other revenue or reimbursements were used. For example, in the Food and Nutrition field, enter the amount of Stabilization Grant funds you used to pay for this expense. Do not include any amount your program will be reimbursed if you participate in a food program.

My expenses exceed the grant, do I report my total expenses?

No, only report the expenses for which Stabilization Grant funds were used. Over reporting of expenses will need to be verified.

What happens if I am not able to spend all the grant funds allocated?

Providers who submit spending reports with expenses totaling less than the funded amount each month are expected to return the unspent funds. Please email OCCstabilization@utah.gov to adjust grant payments to match your program expenditures to avoid underspending of funds.

As a licensed family provider, do I report my total mortgage and/or other facility expenses?

No, only report the amount of funds used based on the IRS Time-Space percentage formula to meet the allowable portion.

How long do I have to submit my monthly report?

Monthly grant reports are due 60 days after authorization. For example, if the Stabilization Grant application was approved on January 5, 2022, then the January Monthly Report would be due March 5, 2022.

How do I opt in for an enhanced grant amount on the monthly report?

- Check the "OPT IN" option on your monthly report.
- One full month of payroll documentation will be required to be uploaded with the monthly report.
- Payroll verification of the \$15 per hour for 51% of your staff is required on a monthly basis to continue your eligibility for the enhanced payment.

How do I fix the expense report error?

- Every field needs to be completed. Enter zero (0) or n/a if not applicable or available.
- How to troubleshoot issues:

1. Open an Incognito Window in Chrome
 - a. Click on the settings menu
 - b. Select new incognito window
 - c. Copy and paste the Care About Childcare link
2. Clear the history (cookies or cache) from your browser
3. Try a different browser, such as Mozilla Firefox
4. Try uploading a different format (ex: photo format, .jpg or .png)
5. Make sure every field is completed even if it's a zero
6. Refer to provider help attachment for further troubleshooting issues

What are the requirements for an emergency substitute?

An emergency substitute is to be used in the event of an emergency where the provider must leave the home and they are unable to have any of their current caregivers cover for them.

- The substitute should be at least 18 years old, substituting for the minimum amount of time possible or for less than one business day, and sign a written background statement before being left alone with the children.
- Child Care Licensing may grant an emergency variance to the emergency substitute rules for up to 10 working days.
- The Emergency Substitute Rules are found in our Interpretation Manuals.
- For Licensed Family Providers the rules are in Section 14 #15-17 of the Licensed Family Interpretation Manual.
- For Residential Certificate Providers the rules are in the Residential Certificate Interpretation Manual Section 14 #11-13.
- The Emergency Substitute Variance can be found in Section 10 of the License Family and Residential Certificate Interpretation Manuals.
- Link to the Interpretation Manuals: childcarelicensing.utah.gov/Rules.html

Is there a DWS Contract number, Sams or Duns number for the Stabilization grant?

No, the Stabilization Grant does not have a contract number since this is a beneficiary program and does not follow the traditional grant process.

What are the certifications and agreements I legally attested to when I completed the application for the Stabilization Grant?

- I will implement policies in line with guidance and orders from state, territorial, tribal and local authorities, and also implement policies in line with guidance from the Centers for Disease Control and Prevention (CDC).
- I agree to pay each employee at least the same amount in weekly wages and maintain the same benefits for the duration of the subgrant.
- I agree to not involuntarily furlough any employees from the date of application submission through the duration of the grant.

- I agree to provide relief from copayments and tuition payments for the families enrolled in the child care programs, to the extent possible, and prioritize relief for families struggling to make either type of payment targeting families earning below 85% of the state median income.
- I agree to maintain or supervise the maintenance of all records necessary to properly account for my performance and the payments made by Workforce Services. These records will be retained for at least six years after final payment, or until all audits initiated within the six years have been completed, whichever is later. I agree to allow, at no additional cost, the State of Utah, federal auditors and Workforce Services staff access to all such records and to allow interviews of any employees or others who might reasonably have information related to such records. I also agree to include a similar right of the state to audit records and interview staff in any subcontract related to performance of this grant.
- I understand that the funds available through the Child Care Stabilization Grant are time limited and could terminate at any time due to lack of funding.
- I understand that my program is ineligible to receive subsequent payments if my program closes for more than 14 days and is no longer licensed after signing this agreement.
- I understand that if I do not use all of the Child Care Stabilization Grant funds I receive each month, my grant amount may decrease or terminate.
- I understand as a Child Care Stabilization Grant recipient, all funds must be spent by September 2023 and I will need to submit a monthly report detailing how the funds were spent.
- I understand that as a Child Care Stabilization Grant recipient, I have no outstanding child care grant overpayments or I have an established repayment plan and I am in good standing with Workforce Services.
- I understand that the Office of Child Care will conduct random audits to ensure that funds are expended according to the grant's intent. I agree to participate and cooperate when my program is selected to be audited.
- I certify that all information in this application is true and accurate. If I knowingly provide false or misleading statements in this agreement, Workforce Services will issue an overpayment in accordance with Utah Administrative Code R986-700-731.1 (see Utah State Bulletin, April 1, 2020, Vol. 2022, No. 7, Page 45).

What was the agreement when I opted in to receive the enhanced base rate?

“I would like to apply for an enhanced payment for my program. I agree that my program currently pays, or will pay, the majority (51% or higher) of staff a minimum wage of \$15 per hour within 60 days of receiving the enhanced payment.”

Who can I contact with questions?

Questions can be sent to occstabilization@utah.gov.