Office of Child Care Stabilization Grants
Frequently Asked Questions

**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.

\[
\text{per child rate of } \$400 \times \text{license capacity} = \text{enhancement rate}
\]

When does the Stabilization Grant funding end?
The final Stabilization Grant payment is expected to be issued in September 2023. However, this date may change due to funding availability for which programs will be notified in advance.

Am I required to agree to the reimbursement acknowledgement?
Yes. As of October 1, 2022 programs are required to agree to an acknowledgement notice regarding reimbursements.

Why am I being required to agree to the reimbursement acknowledgement?
This clarifies an expectation that programs cannot request reimbursement on any other publicly funded grant for the same expenditures they are reporting for the Stabilization Grant. Examples could include but not be limited to the following:

- Example 1: If you claimed personnel expenses with the Stabilization Grant, you cannot seek reimbursement for those same personnel expenses from another grant, such as an DWS preschool grant.

- Example 2: You purchased materials for your afterschool program and received reimbursement from an out-of-school time grant that you receive. You cannot also claim those as expenses for the Stabilization Grant.

How much time do I have to agree to the reimbursement acknowledgment?
You have until the end of the day Wednesday, November 16, 2022 to agree to the reimbursement acknowledgement.

What happens if I don’t agree to the reimbursement acknowledgment by the end of day Wednesday, November 16, 2022?
Failure to agree to the reimbursement acknowledgment will result in a Stabilization Grant payment suspension and may result in a grant closure.

What if I can’t find the acknowledgement or am having technical difficulties?
You must email occstabilization@utah.gov detailing the issue so that assistance can be provided. Exceptions to the deadline will not be made. It is your responsibility to report any issues prior to November 16.
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-19. 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.

How do I request a review of a decision made on my application when I disagree?

1. The first step is to request a Program Review. You can request a Program Review by emailing a statement requesting a review within 14 calendar days of the date of the email notice of decision from the Department.
   a. Information to submit with review request must include:
      i. Owner name
      ii. Child care program name
      iii. Stabilization grant application ID
      iv. Reason for the review request
      v. Supporting documentation and evidence to support the request.

2. The Stabilization Grant Program will review the request within 14 days of receiving the information listed above.
   a. If additional information is required, you will receive an email request and be given a timeframe of when documents are due.

How do I request a review of the Program Review decision made on my application when I disagree?

1. If you disagree with the Program Review decision, you can request a Division Review, by emailing occstabilization@utah.gov a statement requesting a review within 14 calendar days of the date of the email Program Review decision notice from the Department.
   a. Information to submit with review request must include:
      i. Owner name
      ii. Child care program name
      iii. Stabilization grant application ID
      iv. Reason for the review request
      v. Supporting documentation and evidence to support the request.

2. The Office of Child Care will review the request within 14 days of receiving the information listed above.
   a. If additional information is required, you will receive an email request and be given a timeframe of when documents are due.

How do I request a review of the Division Review decision made on my application when I disagree?

1. When the Division Review is complete, you will receive an email notice detailing the decision and also be notified of your Department Review rights and be provided instructions and timelines for how to request a Department Review.

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. The application period closed July 31, 2022

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.

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.
    - Venmo records and verification
    - Canceled checks and verification

- 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.

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?
Effective July 1, 2022, if you experience a change in your licensed or approved capacity, your operational status or your location, your grant award will not be adjusted. 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
- Failure to agree to the reimbursement acknowledgement

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 recoupment 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](http://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 timely, 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 CDFA 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 the same business 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
● Any other publicly funded grants.

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 are monthly reports due?
Monthly grant reports are due on the 5th of each month. Example, the monthly report for September expenditures is due November 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.

Do I have to upload any documents as part of my monthly report?
Yes, you are required to upload payroll documentation if you are receiving the enhanced base rate. Failure to do so will result in your enhanced base rate being removed permanently.

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.

Am I required to maintain liability insurance the entire grant period?
Yes, liability insurance with the correct amounts for your program’s capacity size must be maintained the entire grant period. Lapse in insurance coverage could result in an overpayment or recoupment of Stabilization Grant funds for months not covered.

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?
As of August 1, 2022, requesting to opt in to receive the enhanced payment is not available.

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.

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 below the Monthly Report Section
- 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 much time do I have to provide additional documentation that is requested?**
You have seven (7) calendar days from the date of request to provide additional documentation.

**How do I opt in for an enhanced grant amount on the monthly report?**
As of August 1, 2022, requesting to opt in and request the enhanced payment is not available.

**What happens if I don’t pay 51% of my staff $15 per hour when I complete the monthly report?**
The enhanced base rate will be removed permanently.

**Can I opt in to the enhanced payment if I lose it at any time?**
Effective August 1, 2022, the enhanced payment is removed permanently and you are not able to opt in the future.

**What happens if I don’t provide payroll documentation to verify I pay 51% of my staff a minimum wage of $15 per hour to remain eligible for the enhanced payments when I submit the monthly reports?**
You will be asked to provide more documentation within seven (7) days of the request.

**What happens if I don’t provide payroll documentation to verify I pay 51% of my staff a minimum wage of $15 per hour to remain eligible for the enhanced payments within seven (7) days?**
The enhanced payment will be removed permanently.

**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.
- 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](http://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 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.