

Frequently Asked Questions (FAQs) for the Business and Child Care Partnership Grant Program

These FAQs are organized into the following sections:

- I. General Information about the Business and Child Care Partnership Grant Program
- II. Allowable and Non-Allowable Expenses
- III. Eligibility Requirements
- IV. General Application Information
- V. Award Disbursements
- VI. Tax Implications and Grant Monitoring

I. Business and Child Care Partnership Grant

1. What is the Business and Child Care Partnership grant program?

The goal of the Business and Child Care Partnership grant program is to increase child care capacity throughout the state of Nebraska. This funding will help individuals, businesses, and organizations create new child care programs; and enable existing licensed child care programs to increase their license capacity. This program is being administered by the Division of Children and Family Services (CFS) within Nebraska's Department of Health and Human Services (DHHS).

2. How is the program funded?

The Business and Child Care Partnership program is funded with American Rescue Plan Act (ARPA) and Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, which the federal government provided to states to invest in child care networks. Over \$26 million dollars is available in grant awards for this program.

3. When can I apply?

Applications will be accepted beginning at 8 a.m. Central Time (CT) on **Tuesday, January 17, 2023**. Awards to qualifying applicants will be made on a rolling basis until all funds are expended.

II. Allowable and Non-Allowable Expenses

1. How can I use these funds?

Below is a list of expenses that are "allowable and non-allowable" as part of the Business and Child Care Partnership Program. Funds cannot be used for major renovations.

<p>Allowable Expenses Applicants May List in their Application</p>	<ul style="list-style-type: none"> • Staff wages and benefits for eligible employees who have passed a Child Care Criminal History Check pursuant to Neb. Rev. Stat. §71-1912 and are actively working for the provider • Minor renovations and repairs • Equipment expenses • Health and safety Items • Program supplies • Professional fees • Mortgage • Rent • Insurance (auto insurance for centers that regularly transport children and insurance that covers the child care program only) • Utilities • Vehicle purchase -- Programs with license capacity of 13+ are eligible to request funds to purchase a vehicle with a minimum capacity of eight (8) passengers. Providers may request 20% of the vehicle cost to be used toward the vehicle purchase. Providers must provide a copy of their insurance policy showing coverage for transporting children within 30 days of vehicle purchase
<p>Non-Allowable Expenses</p>	<ul style="list-style-type: none"> • Purchase or improvement of land • Purchase, construction or permanent improvement of any building or facility including major renovations • Structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility • Extension of a facility to increase its floor area • Extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change • Roof replacement

2. What are some examples of minor renovations & repairs that are allowable?

Examples of allowable minor renovations and repairs include:

- Upgrading kitchens to add safe electrical outlets and fix plumbing fixtures
- Repainting walls with non-toxic paint
- Renovating or updating bathrooms (e.g. sink, faucet, toilet, etc.) to ensure age-appropriateness and child safety
- Replacing cabinets with an adequate storage space for each child's personal belongings
- Installing rails and ramps that are accessible to individuals with disabilities
- Updating sidewalks to provide a safe pathway for children
- Building or updating a playground
- Replacing fire sprinklers, carbon monoxide detectors, and smoke detection systems
- Replacing windows or doors
- Removing non-load bearing walls to create additional space for social distancing
- Completing a minor roof repair which includes:
 - Replacement of shingles that are missing or damaged
 - Fixing leaks around vents or flashing
 - Fixing nail lifting
 - Repairing holes due to past damage

Applicants should contact a local licenser, sanitation inspector or fire inspector prior to major facility equipment purchases to ensure licensing compliance.

3. What are some examples of equipment that is allowable?

Examples of allowable equipment include:

- Medical devices/equipment to assist in care for children with disabilities
- Kitchen appliances (dishwasher, stove, microwave, refrigerator) - not allowed for Family Child Care Home I or II in personal residence
- Washer/Dryer – not allowed for Family Child Care Home I or II in personal residence
- Air conditioner, furnace, water heater
- Humidifier, air purifier

4. What are some examples of health and safety items?

Examples of allowable health and safety items include:

- First aid kits
- Car seats
- Safety gates
- Child safety locks
- Medication lock box, locked storage
- Thermometer
- Fire extinguisher

5. What are some examples of program supplies?

Examples of allowable program supplies include:

- Shelving or storage for child materials
- Totes or baskets for materials
- Adult rocking chair
- Child-sized table and chairs
- Cribs, playpens, and cots
- Sleep mats, crib mattresses
- Crib sheets, pillow and blankets for sleeping
- High chairs, booster seats
- Child eating utensils, cups, dishes, bottles
- Strollers
- Changing stations with non-porous surface
- Step stool for sink area
- Dry erase board or corkboard for parent communication
- CD player, Bluetooth speaker, sound machine
- Activity rugs, tumbling mats
- Baby monitors
- Indoor and outdoor toys
- Art & craft supplies
- Books and educational supplies

6. What are some examples of professional fees?

Examples of allowable professional fees include:

- Licensing fees
- Advertising for program and staff recruitment
- Training costs

7. Can I use funds to purchase a vehicle?

Programs with license capacity of 13+ are eligible to request funds to purchase a vehicle with a minimum capacity of eight (8) passengers. Providers may request 20% of the vehicle cost to be used toward the vehicle purchase. Providers must provide a copy of their insurance policy showing coverage for transporting children within 30 days of vehicle purchase.

8. Can I use funds to make major renovations to existing child care facilities?

No. According to federal funding regulations, funds may not be used for major renovations which is defined as:

- Structural changes to the foundation, roof, floor, exterior, or load bearing walls of a facility; or
- Extension of a facility to increase its floor area; or
- Extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include a structural change.

9. May I use the funds for payroll expenses, such as staff wages and benefits?

Yes, funds may be used for staff wages and benefits for eligible employees who have passed a Child Care Criminal History Check pursuant to Neb. Rev. Stat. §71-1912 and are actively working for the provider that are incurred through July 31, 2023.

10. Can I use funds to purchase a house to open a Family Child Care Home II?

No. As required by federal funding regulations, funds shall not be used for the purchase, construction, or permanent improvements of any building or facility. Additionally, funds cannot be used to purchase land or undertake the construction of new buildings or any major renovations.

11. Can I use funds for real property tax payments?

If real property taxes are paid as part of an escrow agreement that is part of the provider's mortgage payment, then the funds can be used to reimburse those payments.

12. What are the Award amounts?

There are no set award amounts. The program may fund projects up to 100% of amounts requested and approved until all funds are disbursed. **Applicants must expend grant funds by July 31, 2023.** DHHS reserves the right to reject line-item expenditures for any reason and approve applications at a lower amount.

13. Do grant funds need to be spent by a certain date?

Yes, funds need to be expended by July 31, 2023. Although extensions may be granted upon request and are left at the discretion of the program management team.

14. Does my child care program need to be licensed by a certain date?

Yes, new child care programs need to be licensed and operating by December 31, 2023.

15. How long must my program remain open if I receive a grant?

Grant recipients are required to remain open and caring for children for **three (3) years** after their awarded date or from the date of license, whichever is later. Closing the business before three years have passed may require the grant recipient to pay back all or a prorated portion of their award.

16. Will I have to submit receipts to prove how I spent the funds?

Yes. DHHS may request receipts and other documentation to demonstrate how these funds are spent. Monthly expenditures will be monitored, and data will be collected to report on overall spending and the number of child care slots created.

17. Can additional funding be requested once an application has been approved?

No. Once requests are funded, applicants cannot reapply. Applicants should include a comprehensive list that includes all program “allowable expenses” in their initial application.

18. Can I use these grant funds for expenses being paid with other federal funding or grants?

No. The same expenses are not allowed to be charged to multiple funding sources. This is called “double dipping.” You are not allowed to reimburse yourself for expenses you paid for with another federal funding source.

III. Eligibility Requirements

1. Who is eligible to apply for the grant?

This grant program is open to:

- Any Nebraska licensed child care program currently open and operating and in good standing with the state that aims to increase its license capacity.
- Any individual, business, or organization starting a licensed child care program in Nebraska that can demonstrate a need for more child care programs in their area and successfully pass a background check.
- Applicants do not need to be residents of Nebraska.

2. Are there additional eligibility requirements?

Yes. All applicants must:

- Have a Unique Entity Identifier (UEI) prior to applying. If you do not have one, visit: <https://sam.gov/content/entity-information> and register for a UEI. Registration for a UEI can take an average of 7 – 10 business days to process as SAM.gov must send out information for validation with outside parties before registration can be activated. For further questions, applicants are encouraged to contact the Federal Service Desk at (866) 606-8220.
- Existing licensed child care programs must be registered with the Nebraska Child Care Referral Network. If you are not currently registered, visit: <https://www.nechildcarereferral.org/register>.
- Start-up child care programs must have a location established and provide a rental or lease agreement if the property is not owned as well as a landlord approval letter that supports business operations of a child care program.

3. Is this grant only for licensed programs?

Yes, this grant is only open to Nebraska licensed child care programs. Grant recipients can be existing programs that are seeking to increase their license capacity or start-ups that are seeking to open a Nebraska-licensed child care program.

4. If I already have an existing license and have not reached my capacity limit, can I apply?

To be eligible to apply, you will need to be increasing your license capacity, for example, expanding your program from a Family Child Care Home I to a Family

Child Care Home II, or from a Family Child Care Home II to a Child Care Center or increasing license capacity of a current Child Care Center.

5. If I accept more children but remain under my existing license capacity, can I apply for the grant?

No, if you have an existing license that allows you to accept more children, you are not eligible. This grant is only for programs increasing their current license capacity.

6. Are these programs open to in-home providers?

Any Nebraska licensed child care home currently open and operating and in good standing with the state that aims to increase its license capacity may be eligible to apply, as well as individuals starting a Nebraska licensed child care home.

7. Do I have to be the owner of the child care program in order to apply?

Yes, you must be the owner of the child care program in order to apply.

8. I am the owner and an employee of a child care program. Am I eligible to apply?

Yes, if you are both the owner and an employee of a child care program, you are eligible to apply if your home or facility is licensed by the state of Nebraska.

9. Can an owner apply for funding for more than one location?

Yes, an owner with more than one location (for example, centers, community-based agencies, and other organizations) can apply for funding for more than one location; however, each site must have its own application.

10. Am I required to partner with a business to be eligible for this program?

No, you do not need to partner with a business to be eligible for this program.

11. I recently opened my child care program. Am I eligible for this program?

If your child care program is licensed and you want to increase your current license capacity, you are eligible to apply.

12. Can I apply if I do not have a lease or rental agreement in place?

You may begin applying for this program if you do not have a lease or rental agreement in place at the start of the application process, but one will need to be uploaded prior to submitting your application.

13. Are tribal child care providers eligible?

Yes. Tribally operated child care centers licensed in Nebraska are eligible even if the provider has received funds from their tribal child care lead agency. The grant funds must be used to supplement, not supplant, tribal funds used for tribally operated child care centers.

14. How can I learn more about the program?

Program information, a link to the application, and an application guide are available on the DHHS website at: www.dhhs.ne.gov/CCDF. Please check this website periodically for program updates.

IV. General Application Information

1. How do I apply?

A link to the application is available on the DHHS website: www.dhhs.ne.gov/CCDF. It will take you to the application platform on Submit.com where you can set up a Submit.com account and complete your application.

If you applied for the Workforce Recognition Stipend and Student Loan Repayment program, you should use your existing Submit.com account to apply for this program.

2. What documentation/information will I need to provide?

- **Applicant information**

- A copy of your valid Nebraska driver's license or state ID
- A Unique Entity Identifier (UEI) number. If you do not have one, visit: <https://sam.gov/content/entity-information>.
- An email address we can use to reach you
- A phone number we can use to reach you

- **Program information**

- The name of your child care business, and as applicable, your program name
- Your child care provider license number(s). You can find this by referencing the DHHS Child Care Roster at: <https://dhhs.ne.gov/licensure/Documents/ChildCareRoster.pdf>
- Your child care program address.
- The type of your child care home or facility you own; or, if you are applying for a start-up grant, the type of home or facility you anticipate opening (e.g., Family Child Care Home I, Family Child Care Home II, Child Care Center, School Age Child Care Center, Afterschool Program, Summer-Only Program).
- For start-ups and existing programs moving to a new location – a copy of your lease or rental agreement **and** a landlord approval letter that supports business operations for a child care program.
- The taxpayer ID number of your business or child care program.
- For applicants who have resided outside of Nebraska in the last five (5) years, a criminal history check (no fingerprints) from the local law enforcement and/or state patrol in the state(s) they lived will be requested prior to funds awarded.
- Two community letters of support on official letterhead that document the need for additional child care in your community.

- **Project information**
 - A budget proposal for all project expenses (see the Application Guide for a sample). **All expenses incurred by July 31, 2023.**
 - A business plan outline that includes projected expenses and income for the next 12 months.
 - A project timeline. Note that projects must be completed by December 31, 2023.
 - A single price quote or bid for items over \$1,000 in the following categories: minor renovations and repairs, equipment, and vehicle purchase.
 - For vehicle purchases: Eligible expenses for programs with license capacity of 13+ and must provide a copy of the auto insurance policy showing coverage for transportation of children. Vehicle purchases are limited to a minimum of an eight-passenger vehicle. Providers may request 20% of the vehicle costs to be used toward a vehicle purchase. Providers must provide a copy of their insurance policy showing coverage for transporting children within 30 days of vehicle purchase.

- **Applicant financial institution information** (*program awards will be disbursed electronically by direct deposit*)
 - The name of your financial institution. It can be a bank or credit union but **cannot** be a prepaid card or non-traditional banking product.
 - Your account information and routing number. (A routing number is a nine-digit number that identifies your bank or credit union. You can find this number by looking at the bottom left-hand side of your check, looking up your financial institution online, or by contacting your financial institution.)
 - A copy of a voided check or deposit slip. (If you do not have either of these, contact your financial institution. The address on your check does not need to be current, but your name, routing number, and account number must be current.)

3. Why do I need my bank account and routing number?

If you are awarded a grant, your funds will be electronically direct deposited into the bank or credit union account you designate on your application.

Awards will **not** be deposited to prepaid account cards or other non-traditional banking products. They will only be deposited into financial institution accounts for which you provide a routing number and your account number.

See the “Information about Award Disbursements” section for more information.

4. I need help creating a business plan. Who can I contact?

If you need help creating a business plan, you can contact one of the technical assistance providers listed below:

- [Catholic Charities Microbusiness and Asset Development Program](#) (Omaha)
- [Center for Rural Affairs \(CFRA\)](#) (Lyons)
- [Community Development Resources](#) (Lincoln)
- [Native360 Loan Fund](#) (Grand Island)
- [Grow Nebraska](#) (Kearney)
- [Nebraska Enterprise Fund](#) (Oakland)
- [Nebraska SBDC](#) (Omaha)
- [SBA Nebraska](#) (Omaha)

5. Is there a maximum award amount that can be requested?

No, there is not a maximum award amount; however, you may not receive the full amount of your request. DHHS reserves the right to reject line-item expenditures for any reason and approve applications at a lower amount.

6. What if my estimates were too high for my start-up child care home or facility and I have money left over? Do I need to return the balance of the grant?

You are encouraged to use the remaining funds on allowable items. However, if you cannot expend the funds in this manner, you will be asked to return the funds.

7. What if my estimates were too low for my start-up child care program and I need more money? Can I apply for another grant?

No, you may not reapply for the program once you have been awarded funds. Applicants should evaluate needs carefully when applying and include a comprehensive list of allowable expenses when submitting project proposals.

8. How will I know my application has been received?

Applicants will receive a confirmation e-mail from Submit.com when their application has been received. Be sure to also check your spam folder for emails from this address.

9. Can I start the application and return to it later?

Yes, you can simply login to your Submit.com account and continue completing your application.

10. Will I be able to make changes to my application after I have submitted it?

No. Once an application has been submitted, an applicant cannot make any edits. Please review the application user guide **before** you begin your online application to ensure you have the required documentation for submission.

If you have submitted your application and your circumstances change during the application period, call the helpline at (402) 204-5506 or send an e-mail to: NE_child_care_grants@pubknow.com.

11. Can I fill out the application using my mobile device?

Yes, the website is mobile-friendly; however, it will be easier to complete your application on a computer. You may submit the application and supporting documents electronically using your computer, phone, tablet, or other mobile devices.

12. What if I fail to apply by the deadline?

There is no set deadline; however all funds must be expended by July 31, 2023, regardless of application date. Awards to qualifying applicants will be made on a rolling basis until all funds are expended.

If additional opportunities become available, an announcement will be made on the program website. Visit: www.dhhs.ne.gov/CCDE for more information and funding updates.

13. Why do I need to complete an attestation before being notified whether my application has been approved?

Acknowledging that you have read, understand, and agree to the grant requirements and conditions is a step in the approval process. This includes but is not limited to:

- Agreeing to comply with the Grant Agreement Requirements and Conditions including but not limited to complying with all applicable federal laws, regulations, executive orders, policies, procedures, and directives.
- Agreeing to public reporting of your award information as part of the State of Nebraska's public transparency and accounting.
- Confirming that your application contains complete and accurate information.
- Understanding that DHHS reserves the right to refuse applications for any reason, at any time.

14. I have already received grants/funding from other programs. Does this affect my eligibility for this program?

No, grants/funding from other programs will not affect your eligibility for this program. However, please note that the same expenses are not allowed to be

charged to multiple funding sources. This is called “double dipping.” You are not allowed to reimburse yourself for expenses you paid for with another federal funding source.

15. Can I apply for this grant if I applied and/or received grant funding from the DHHS Workforce Recognition Stipend and/or Student Loan Repayment programs?

Yes, you may apply for this grant if you have received funding from these programs.

16. If any proposed dates that were included in my application change, could that result in the loss of eligibility?

No, if funds can be expended by July 31, 2023, and your program is licensed by December 31, 2023, you will still be eligible.

17. Can I apply for this program more than once?

No, you may not reapply for the program once you have been awarded.

18. Who receives the grant award?

The grant will be awarded to the business or individual who owns the child care program.

19. If I am expanding an existing child care center, do I need to show proof of a need to expand, such as a waitlist?

No, it is not required to show proof of need. However, that information may strengthen your application if included.

20. 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.

21. Is there an appeals process related to award or eligibility determinations?

The application process does not include an appeals procedure. Applicants must provide all requested documents as part of their application package upon submission.

22. If I have questions, who can I contact for help?

Applicants can send an email to ne_child_care_grants@pubknow.com or call (402) 204-5506. Customer service representatives will be available from 7 a.m. – 7 p.m. Central Time, Monday through Friday. Please be prepared to leave your name and contact information.

V. Award Disbursements

1. How will I be notified if I am awarded funding?

Grant award decisions will be announced via email. Please verify the email address you provide in your application is entered correctly. Also make sure your server will accept emails from ne_child_care_grants@pubknow.com. Otherwise, you will need to periodically check your spam or junk folders.

2. To whom does the payment go?

Payments will be made to the applicant electronically via direct deposit.

3. How will grants be disbursed?

Grants will be disbursed on a rolling basis beginning in February until the funding runs out. They will be distributed in one lump sum payment.

4. Will the grants be a one-time payment?

Yes, the grants will be paid in one single payment.

5. What common issues could result in a denial or reduced payment?

- Providers who are not currently open, fully operating, and providing in-person child care
- Start-ups that have not yet received a UEI
- Start-ups that are applying in an area that does not need additional child care facilities, or is not considered a child care desert
- Start-ups with insufficient information in their business plan

6. What information about me will be made publicly available if I receive an award?

The State of Nebraska will issue public grant funding reports in aggregate form.

7. How does this award affect other DHHS benefits I am receiving (e.g., SNAP, TANF, Child Care)?

- **AABD (Aid to the Aged, Blind, or Disabled).** For awards to AABD households, please submit a policy question. These awards must be reported within 10 days of receipt of payment.
- **ADC (Aid to Dependent Children).** These awards are excluded as income and do not affect ADC eligibility. Any unspent remainder is considered a resource in the month following the month of receipt or report, considering adequate and timely notice. Awards must be reported within 10 days of receipt of payment.
- **Child Care benefits.** These awards are excluded as income and do not affect eligibility for Child Care benefits. There is no reporting requirement.

- **LIHEAP (energy assistance) and LIHWAP (water assistance).** These awards are excluded as income and do not affect eligibility for such assistance. There is no resource test or reporting requirement.
- **SNAP (Supplemental Nutrition Assistance Program).** These awards are excluded as income and do not affect eligibility for SNAP. However, the awards are counted as a resource for future months. There is no reporting requirement.
- **SSAD (social security for aged and disabled adults).** These awards are excluded as income and do not affect eligibility for SSAD. There is no reporting requirement.

8. If I already received a stabilization grant or other federal stimulus dollars, am I eligible for this program too?

Yes, applicants are eligible for this program even if they have received other federal stimulus dollars or grant awards.

VI. Tax Implications of these Awards and Grant Monitoring

1. Will this grant need to be repaid?

No, this grant does not need to be repaid. However, awardees are required to remain open and caring for children for **three years** after the award date or from the date of the child care license, whichever is later. Closing the business before three years have passed may require the grant recipient to pay back all or a prorated portion of the award.

Repayment will be required if the applicant provides inaccurate or false information or there are other applicable instances of non-compliance.

2. Will I need to complete any type of monitoring report?

Yes, a monthly grantee monitoring report will need to be completed by the awardee. Expenditures will be monitored, and data will be collected to report on overall spending and the number of child care slots created.

3. Will I need to provide any receipts or documentation of purchase?

Yes, DHHS may request awardees to provide receipts and other documentation to demonstrate how funds are spent.

4. Will my grant award be considered taxable income?

Per the IRS, certain federal assistance awarded to businesses and individuals is considered taxable income. Please consult your financial advisor and/or tax preparer as it pertains to your specific award and business or personal circumstances. Online resources are available on the IRS website.

5. What is Form 1099-G?

Federal, state, or local governments file this form if they made payments of:

- Unemployment compensation
- State or local income tax refunds, credits, or offsets
- Reemployment trade adjustment assistance (RTAA) payments
- Taxable grants
- Agricultural payments

The 1099-G form will reflect the total amount of funding received for each calendar year under the Nebraska-administered CRRSA program and is reportable to the Internal Revenue Service (IRS).

6. Who will receive Form 1099-G?

Non-corporate entities that are recipients of the Business and Child Care Partnership grant receiving \$600 or more should expect to receive a Form 1099-G for each calendar year in which funds were received. Form 1099-G information is reported to the IRS.

7. When will I receive Form 1099-G?

Grant funds received in 2023 are considered taxable income, and award recipients will be mailed a 1099-G on or before January 31, 2024.

8. Where can I find more information about the ARPA CRRSA funding and tax implications?

Please visit the IRS website for more information on ARPA CRRSA and any tax implications it may have. We also encourage you to consult your financial advisor and/or tax preparer.