

ROUND 6 CHILD CARE RELIEF FUND GRANTS – UPDATE AND FAQ

The Department of Education is pleased to announce we are now able to process Round 6 Child Care Relief Fund applications for eligible providers that were previously not funded. If you applied for grant funding in Round 6 in October or November 2020 and did not receive funding due to insufficient funds, you are may now be eligible for payment.

To be eligible you must currently be licensed, be open and providing care.

What do eligible providers need to do to receive funds?

Child care providers must respond to questions using a survey link no later than **May 31, 2022** to confirm they still qualify for funds. To be eligible you must be open and currently providing child care. Please note: If you do not respond, we will not be able to pay your grant.

Who is eligible for payment for Round 6 of the Child Care Relief Fund?

Child care providers must have submitted a complete application in November 2020 and been approved for funding but did not receive funding due to insufficient funds. If you are not sure if you qualify, check the list of unpaid Round 6 grant applications posted at www.michigan.gov/childcare.

To receive funding, providers must confirm that they are licensed, open and serving children.

If your application was originally denied for Round 6 you are not eligible.

When will I receive my grant?

For providers responding by the deadline, grant payments will be received on June 9-10.

How much funding am I eligible to receive? Amount is based on what was true at the time of the original application and will include funding for operational costs.

Your grant awards vary based on your program type, size, and star rating at the time of your application in October/November 2020. Providers will receive operational funds only. Funding for tuition discounts is not available at this time.

Criteria	How Grant Amount is Calculated
Provider type	Open child care center base amount: \$10,000 per application Open family/group home base amount: \$8,000 per application
Licensed capacity	1-6 children \$1,200 7-12 children \$2,400 13-25 children \$5,000 26-50 children \$10,000 51-75 children \$15,000 76-100 children \$20,000 100+ children \$26,000

Star rating	1 or 2 star provider: \$500 bonus 3, 4, or 5 star provider: \$1,500 bonus
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Reminder: Your grant award WILL NOT include tuition credits for families.

How can my child care program spend the funds? Are there any restrictions?

Providers may use funds on the following expenses:

- Increased operational expenses due to COVID-19
- Relief for families struggling to pay for child care
- Paying wages, salaries, and/or bonuses for child care workers

The state is using Child Care and Development Fund (CCDF) Discretionary Funds Appropriated in the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (Public Law 116-260) to pay these grants, and federal requirements establish these allowable uses.

Reminder: Funds cannot be used on expenses that were previously paid for by federal funds. If you received other federal support between March 2020 and October 2021, you cannot use these grant dollars on the same expenses. For example, if you received a personal paycheck protection (PPP) loan, economic injury disaster loan (EIDL) or you receive the child care subsidy, be sure to document that these grant funds paid for different expenses.

When do I need to spend the funds?

Providers must maintain records and document that they spent these funds no later than **December 30, 2022**. Providers must notify the Child Development and Care Program no later than December 1, 2022 if they are unable to spend grant funds.

Do grant funds need to be reported as income?

Yes. Child care relief fund grants will be counted as income and 1099-NEC will be issued for the grant payments.

What is the fund source for these grants?

The state is using Child Care and Development Fund (CCDF) Discretionary Funds Appropriated in the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (Public Law 116-260) to pay these grants. These funds were appropriated by the Michigan Legislature and signed by Governor Whitmer in September 2021.