

# Child Care Stabilization Grant

**Reporting Training for Providers**

**[www.Michigan.gov/childcare](http://www.Michigan.gov/childcare)**

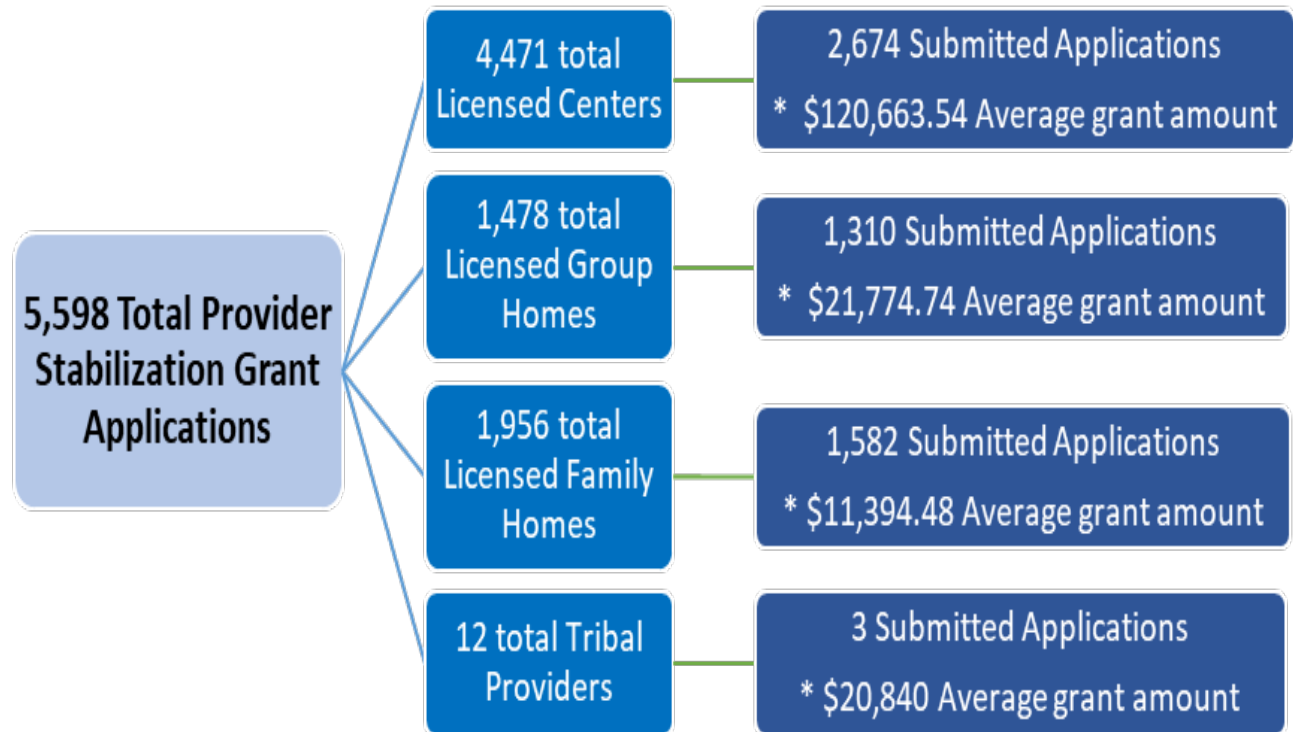




# Spring 2022 Stabilization Grants

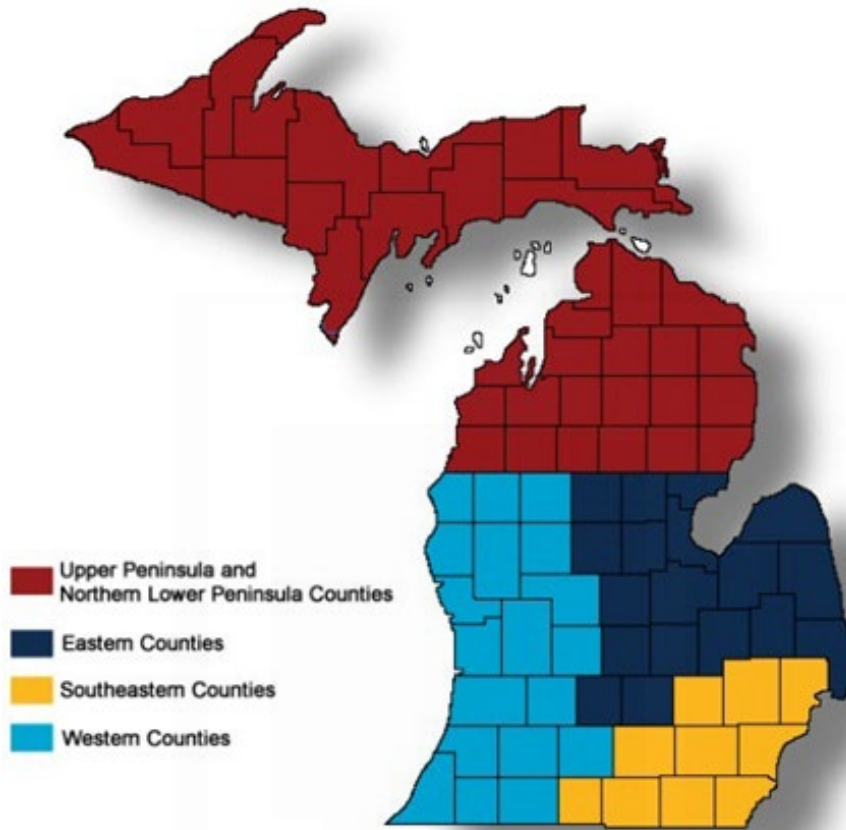
2

In Michigan, there are 7,914 eligible child care providers which includes 12 federally recognized tribes. Of those providers, 5,565 programs submitted applications for the Child Care Stabilization Grant. We're happy to report that **5,544 programs were approved**, 32 applications were incomplete, and only 21 were ineligible. In total, Michigan will distribute \$368,013,072.50 in grant funds.



# Geographic Location of Grant Awards

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Of the approved applications, the following is a breakdown of applications by provider type and region.

	Licensed Centers	Group Homes	Family Homes	Tribal Centers
<b>Total Applications</b>	2,666	1,304	1,574	3
<b>Northern</b>	181	178	159	3
<b>Eastern</b>	497	322	331	0
<b>Southeastern</b>	1396	401	473	0
<b>Western</b>	591	402	610	0



# Reporting Requirements

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- As the lead agency for this funding the Department of Education is required to submit reports on the spending of the American Rescue Plan Act (ARPA) funds.
- This includes a quarterly report on **each** grant awarded to a provider and how the funds were utilized by the provider.
- In addition, the Department participates in a monthly monitoring and reporting call to answer questions about the distribution of the grants.



# SUMMER 2022 Stabilization Grant Opportunity!

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Additional funding sources have been released to the department, meaning that we are adding a third round of grants!

Application will be available on WLS starting **August 9 and will be open until September 9 at 6pm Eastern Time.** More information coming soon!

Because of this additional grant opportunity, the deadline for **Spring Grant Reports has changed to March 1, 2023.**



# How Do I Fill Out Reports?

Grant Spending Report  
Recruitment and Hiring Report



# Grants Tab

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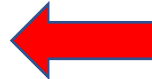
Update Data	Pictures	View Profile	Consumer Ed	Referral Counts	PIF Email	PIF Print	Grants
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**Closed Grants**

- Child Care Stabilization Grant, Fall 2021
- Child Care Stabilization Grant, Spring 2022

**Approved Grant Applications**

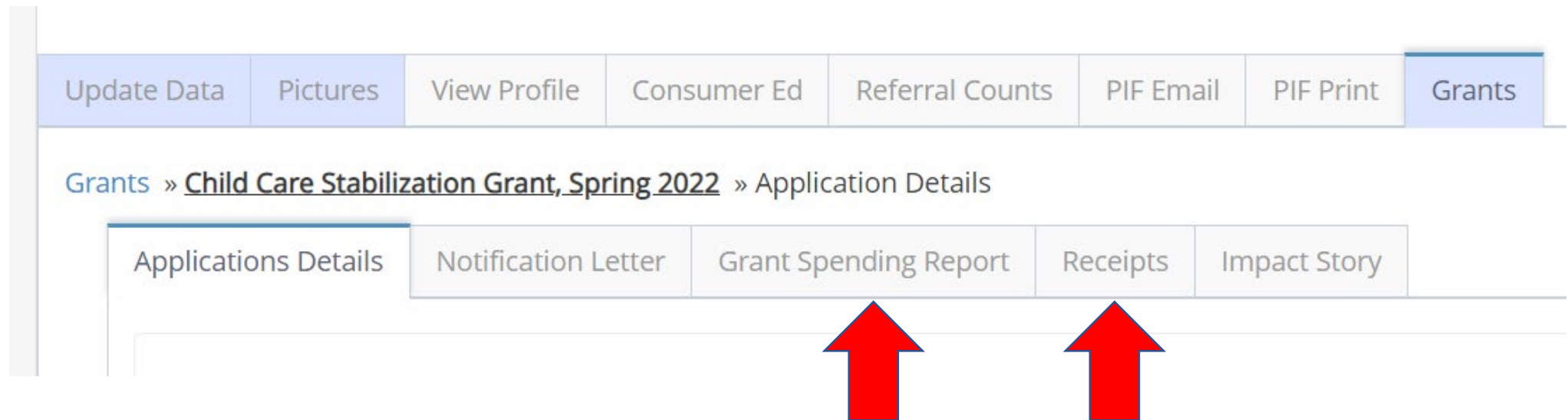
- Child Care Stabilization Grant, Spring 2022
- Child Care Stabilization Grant, Fall 2021





# Reports and Receipts

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If you are submitting a report from your phone, please hold it in LANDSCAPE mode, otherwise, you will not see the entire screen including the Receipts Tab.





# Grant Spending Report

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- Includes both staff bonus payments and operational funds.
- Staff bonus payments must be made by **September 1, 2022**. Unspent Staff Bonus Funds must be returned by September 15, 2022.
- At this time, **Spring Spending Reports are due by March 1, 2023**. (Please note that if further funding opportunities arise, you may have to complete the report sooner to be eligible.)
- **Unspent funds must be returned by March 15, 2023.**



# Grant Spending Report – Staff Bonus Payments

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Please note, you are reporting the **NUMBER** of staff bonuses paid, not the AMOUNT!

## Staff Bonuses

You received 3 bonuses of \$1,000.00 PER full-time employee. Staff Bonuses can ONLY be paid to staff as allotted - \$1,000.00 for full-time staff and \$500.00 for part-time staff - and cannot be used for any other purpose. **Staff Bonuses must be paid to staff by September 1, 2022.**

	Number of Staff at Time of Application	Amount of Staff Bonuses Received	Number of Staff Bonuses Paid by September 1, 2022	Staff Bonus Funds Remaining to be Returned
Full-Time	3	\$3,000.00	<input type="text"/>	\$3,000.00
Part-Time	0	\$0.00	<input type="text"/>	\$0.00
Totals	3	\$3,000.00	0	\$3,000.00

☐ I certify that staff bonus funds awarded to the program were used only for that purpose. I understand that I must maintain a record of these bonus payments for four years and provide documentation if requested by the Department.



# Grant Spending Report

Category	Funds Used	Expense Description
<b>Personnel Costs</b> ⓘ Wages for child care program personnel, including home based providers/owner.  Employment taxes, health, dental, and vision insurance; scholarships; paid sick or family leave; worker's compensation; and retirement contributions.  Including increases in compensation for any staff in a child care.  Premium or hazard pay, staff bonuses, and vaccine related costs for employees (paid time off to get vaccinated, transportation to and from vaccine, etc.).	\$ <input type="text"/>	<input type="text"/>



# Hiring and Recruitment Report-Fall

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Applications Details

Notification Letter

Grant Spending Report

Recruitment/Hiring Report

Receipts

Impact Story

## Recruitment/Hiring Report

**This report is due by July 31, 2022.**  
If you are unable to spend the funds as agreed for hiring and recruitment you must return the funds to the Department.  
You received funding specifically to pay for hiring and recruitment of \$1,000.00 for 1 full-time staff and \$0.00 for 0 part-time staff.

Recruitment/hiring funds must be used to provide additional wage, salary, employee benefits, or bonus compensation to new staff. In addition, they can be used for recruitment costs (mailings, ads, etc.).  
Providers agree to return funds if it is determined that they did not use these funds to pay staff as described here.

	Staff Vacancies at Time of Application	Number of Hiring/Recruitment Funds Requested	Number of Staff Hired	Number of Current Staff Vacancies
Full-Time	1	1	<input type="text"/>	<input type="text"/>
Part-Time	0	0	<input type="text"/>	<input type="text"/>
Totals	1	1	0	0

### Hiring and Recruitment Spending

Tell us how you utilized your hiring and recruitment funds to fill your vacant positions.

Expenses	Amount	Notes
Increases in staff compensation	\$ <input type="text"/>	<input type="text"/>
Higher wages provided to employees who work holidays, weekends, nights, vacation days or more than eight hours per day	\$ <input type="text"/>	<input type="text"/>



# Hiring and Recruitment Report-Fall

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- Found on the Fall 2021 Grant Tab
- Due July 31, 2022
- Any funds not used for hiring and recruitment of tuition based childcare staff must be RETURNED to MDE BY AUGUST 15, 2022.



# Hiring and Recruitment Report

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The Spring Grant did NOT have a special bonus for Hiring and Recruitment, so there will not be a tab for this report for the Spring grant.



# Certifications

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- Grant certifications remain the same as the original applications and the fall round. You will be certifying that you:
  - Paid staff bonuses by 9/1/22
  - Have spent grant funds on allowable expenses
  - Will participate in monitoring activities and provide requested documentation
  - Will notify the Department if you close



# What if I Close my Program?

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- By accepting this grant funding you are agreeing to stay open at least until December 31, 2022 or you must return unspent funds to MDE.
- You are agreeing to submit required reports on utilization of spending.
- You agree to maintain records for a minimum of four years and provide if requested by the Department.
- Any unspent funds must be returned to MDE.
- All licenses that close will be monitored for spending.





# Uploading Receipts

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Update Data Pictures View Profile Consumer Ed Referral Counts PIF Email PIF Print **Grants**

[Grants](#) » [Child Care Stabilization Grant, Spring 2022](#) » Application Details

Applications Details Notification Letter Grant Spending Report **Receipts** Impact Story

**Total Awarded Amount:** \$23,737.50      **Total Receipt Amount:** \$0.00      **Refunded Amount:** \$0.00

Year	Vendor Name	Receipt Date	Item Description	Purchase Amount	Attachment
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Remember to turn your phone sideways so you can see all the tabs!



# New Receipts

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## Add New Receipt

Grant  
2022 Spring ▼

Vendor Name

Receipt Date\*

Purchase Amount\*

Item Description\*

Attach Receipt/Document\*  
 No file chosen  
\*max file size=5M bytes, file extensions allowed: .pdf, .gif, .jpg, .png.

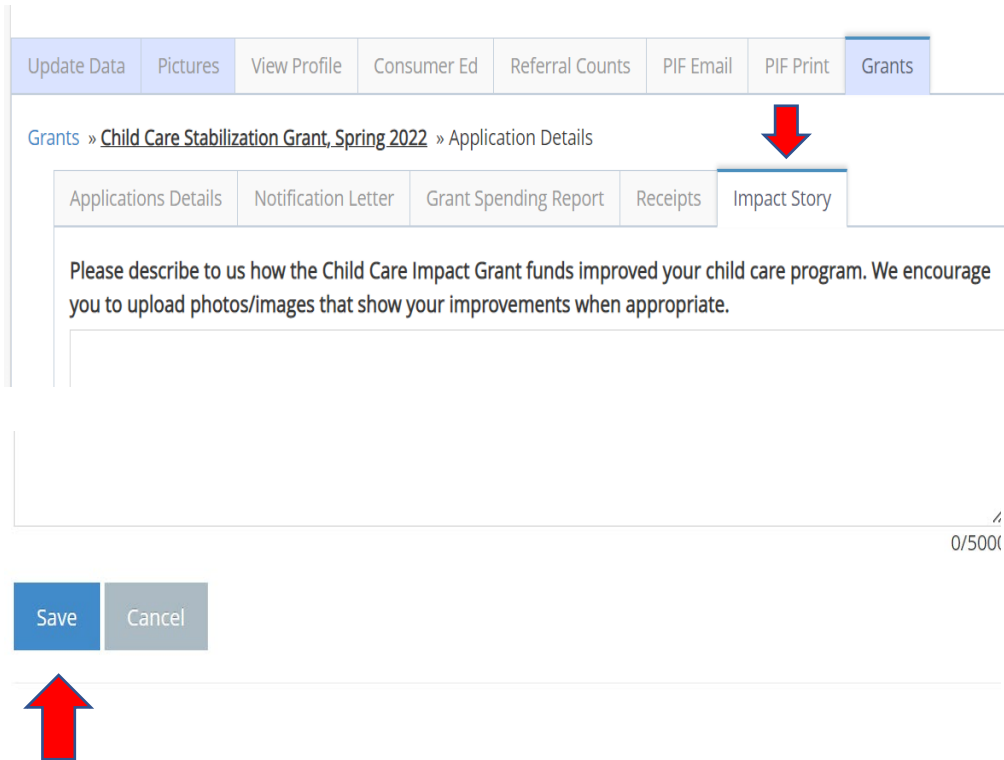
Receipts Tabs are grant Specific, so only Spring Expenses should be uploaded on the Spring Tab.

Make sure to include amount and description.



# Impact Story

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Update Data Pictures View Profile Consumer Ed Referral Counts PIF Email PIF Print Grants

Grants » Child Care Stabilization Grant, Spring 2022 » Application Details

Applications Details Notification Letter Grant Spending Report Receipts Impact Story

Please describe to us how the Child Care Impact Grant funds improved your child care program. We encourage you to upload photos/images that show your improvements when appropriate.

0/500

Save Cancel

- You are not required to upload impact stories, but we love to see them.
- You can also upload a picture. If the picture includes children, please be sure you have a photo release!



# How Can I Use My Grant Funds?

Resources are available to support you!



# Resources Available at MDE Website


[www.Michigan.gov/childcare](http://www.Michigan.gov/childcare)

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- First Children's Finance documents for Centers and Homes
- MDE Allowable Grant Use document
  - Also indicates documentation to support expenses
- FAQs to answer reporting questions
- Reporting templates
- First Children's Finance tracking tool

# First Children's Finance Tracking Tool

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# First Children's Finance

	Amount											
Category	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
<b>Personnel</b>												
Owner pay & benefits												
Employee pay & benefits												
Premium pay												
Bonuses												
Vaccine related costs												
<b>Facility Costs</b>												
Mortgage or rent												
Late fees												
Utilities												
Phone & internet												
Maintenance												
COVID-related expenses												
<b>PPE, Cleaning and Safety</b>												
Cleaning supplies												
PPE												
Trainings												
Cleaning services/janitor												
<b>Equipment and Supplies</b>												
Software												
Computers & IT												
Other equipment												
<b>Goods and Services</b>												
Supplies												
Learning materials/toys												
Licensing fees												
Other												
Other												
Other												
<b>Mental Health Services</b>												
<b>Past Expenses</b>												
Other												
Other												
Other												
<b>TOTAL</b>	0	0	0	0	0	0	0	0	0	0	0	0

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[www.firstchildrensfinance.org](http://www.firstchildrensfinance.org)  
 1-866-562-6801





# Tips, Tools and Resources – ECIC

23

ECIC created a website with some helpful resources on:

- Tax resources and tips
- Videos on how to spend the money
- Videos on how to track spending
- Allowable expenses

[www.ecic4kids.org/grants/](http://www.ecic4kids.org/grants/)



# Allowable Uses

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- Personnel Costs
- Rent, Mortgage, Utilities, Facilities Maintenance, and Insurance
- Personal Protective Equipment (PPE), Cleaning and Other Health and Safety Practices
- Equipment and Supplies
- Goods and Services
- Mental Health Services
- Tuition Relief to Families (not required)
- Past Expenses (DOES NOT INCLUDE PERSONNEL COSTS!)
  
- As a reminder, if there is something that is NOT ALLOWABLE under the grant, you can use [tuition funds collected from families](#) for those items.





# What is an Allowable Use?

25

- **Four questions to ask yourself:**
  - Is it required by child care licensing to be in compliance?
  - Is it required by my insurance in order to operate my child care business?
  - How does it make the environment safer for the children during COVID?
  - How does it directly benefit the children in my care and improve my program?



# Timeframe for Spending?

**January 31, 2020 –  
March 11, 2021**

allowable uses are  
specific to COVID  
public health  
emergency (see list)

**March 11, 2021 –  
now** use expanded  
allowable uses list

- Costs incurred after the declaration of the public health emergency on January 31, 2020, (but before the March 11, 2021, ARP Act date of enactment), for any of the uses of funds outlined above, as long as those uses were made in response to the COVID-19 public health emergency (including child care operating expenses related to rent and mortgage and facilities; insurance, utilities, internet, phones, personal protective equipment, sanitation, and health and safety; equipment and supplies; goods and services; and mental health services as described above).



# Can I Use These Funds for Taxes?

27

## **Allowable:**

- Consulting with a tax preparer
- Employment taxes (part of operating)
- Property tax (part of operating)
- Sales tax

## **Not Allowed:**

- To pay state or federal taxes associated with receiving the grant funds



# How Do I Document My Expenses?



# Personnel Costs - Examples

29

- Records or supporting documentation for these types of expenses include: payroll and benefit records; employee timecards; invoices, receipts and check information for professional development trainings; documentation of other benefits provided to child care staff members such as coverage of insurance costs or tuition reimbursement; and bank statements.



# Rent, Mortgage, Utilities, Facilities Maintenance and Insurance Payments - Examples

30

- Things in this category should be charged to the grant using the time/space percentage for home care providers.
- Records or supporting documentation for these types of expenses may include: mortgage/rent/space cost statements; utility statements; original invoices and/or receipts for purchases of materials/supplies; and bank statements.



# Calculating Home Use

31

Home care providers who are unsure of how to calculate their time/space percentage should check out this resource located at **[www.ecic4kids.org/grants](http://www.ecic4kids.org/grants)**.

## Tax Resources from Home Grown

The 2022 tax season is here! We are sharing the resources below which are designed to support home-based child care providers as they prepare their taxes, including guidance for handling relief funding, including the PPP.

[Home-Grown Preparing for the 2021 Tax-Season \(English\)](#)

[Home-Grown Preparing for the 2021 Tax-Season \(Español\)](#)

Space used for care ÷ total square footage of your home =  
percentage of your home that you use for child care

For example: a provider uses 500 square feet of her 1,100 square foot home, regularly for care. If she divides 500 by 1,100 she finds that she gets .454 or 45.4% of her home is used regularly for care.



# Personal Protective Equipment (PPE), Cleaning and Other Health and Safety Practices - Examples

32

- Records or supporting documentation for these types of expenses may include: original invoices and/or receipts for purchases of materials/supplies; employee timecards; invoices, receipts and check information for professional development trainings; and bank statements.





# Health and Safety Training Costs - Examples

33

- Records or supporting documentation for these types of expenses may include: original invoices or receipts; payroll records; employee timecards; invoices, receipts and check information from professional development training; and bank statements



# Goods and Services - Examples

34

- Records or supporting documentation for these types of expenses may include: original invoices and/or receipts for purchases of materials/supplies; bank statements; invoices, receipts and check information for professional development trainings.



# Mental Health Services and Supports for Children and Employees - Examples

35

- Records or supporting documentation for these types of expenses include: original invoices and/or receipts for purchases; employee timecards; invoices, receipts and check information for professional development trainings; and bank statements.

**Mental Health Services is NOT “self-care” or Staff Retreats or Team Building Days!**



# Paying for Past Expenses (1/30/20-3/10/21)

36

- Records or supporting documentation for these types of expenses include: original invoices and/or receipts for purchases; employee timecards; invoices and receipts and check information for professional development trainings; receipts for purchases of supplies/materials; mortgage/rent/space cost statements; utility statements; original invoices and/or receipts for purchases of materials/supplies; payroll and benefit records; documentation of other benefits provided to child care staff members such as coverage of insurance costs or tuition reimbursement and bank statements.
- **PLEASE NOTE! NO SALARY/PERSONNEL COSTS CAN BE CLAIMED IN PAST EXPENSES!**



# Staff Bonuses – What are the Tax Implications?

37

- A bonus payment — broadly defined for tax purposes as anything paid to an employee beyond the employee's regular wage — is treated as a supplemental wage under federal tax law.
- Supplemental wages are taxable when received by the employee and, thus, subject to mandatory tax withholding (federal and state) and employment taxes by the employer.



# My Staff Quit!

38

If staff quit BEFORE you pay their staff bonus:

- 1) Will you be replacing them before September 1? If so, use the Staff Bonus money for the newly hired staff.
- 2) **If not, you will need to return the funds to MDE BY Septmeber 15, 2022.**

If staff quit AFTER you pay their staff bonus:  
Report it as paid.



# Combining or Splitting Bonuses

39

We get a lot of questions about can I combine two part time bonuses to pay a new full time employee, or can I split a full time bonus to pay two part time employees.

YES. But....

The report will only allow you to report the numbers as we issued the bonuses. So report them as issued and upload your documentation showing how they were paid out.



# Need Ideas for Spending?

40

**BEFORE** you decide to return funds to MDE, we ask that providers reach out to their Great Start to Quality Resource Center at [877-614-7328](tel:877-614-7328) for ideas on how else they might use their funds.

Remember, Current Expenses are from 3/11/21 to now. What allowable expenses from this time frame have you used tuition dollars on?





# If Needed - How Do I Return Grant Funds to the Department

41

**Very important to follow these steps to ensure funds appropriately returned and the 1099-NEC associated with your grant is adjusted appropriately for tax year 2022!**

- **FIRST ---- Call the CDC office at 866-990-3227**
- Provide the following information:
  - Name
  - Provider license number
  - Phone number
  - Reason for returning the funds
- After MDE establishes a record of the return of funds you will be contacted with next steps.



# What if I Was in the Process of a Licensing Change with LARA?

42

- If your license type has changed since you applied for the grant you can use your grant dollars at the new location.
- You will need to do reporting on the closed license. It will be changed to Inactive, but you will still be able to log into it.
- When setting up your new license, please use a DIFFERENT email address so that you can log into your closed license.
- Contact your Great Start to Quality Resource Center at 877-614-7328 for help on how you will complete reports on a closed license number.



# Grant Review/Monitoring

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- Will begin federally required review/monitoring of grant spending once reports are submitted.
- You are required to hold your receipts for 4 years from when the grant ends (2027 taxes).
- MDE will be reviewing/monitoring between approximately 25% of the grants awarded (fall and spring), so assume you will be monitored.
- If reviewed/monitored, you will be required to upload all receipts into your great start to quality profile. You can begin now with your reports and have less to worry about later.



# Monitoring Categories

44

The following categories will have a higher chance of being monitored:

- Grants of more than \$200k (25%)
- Grants of more than \$300k (25%)
- Grants of more than \$400k (All)
- Programs with HS/GSRP/21<sup>st</sup> CCLC Funds (25%)
- Closed Licenses (All)
- Providers who indicated they were temporarily closed or didn't have children enrolled (All)



# NO REPORT EDITS!!!!

45

**PLEASE NOTE, ONCE YOU SUBMIT THE REPORT  
IT CANNOT BE EDITED BY YOU OR BY THE  
DEPARTMENT!**

Please DO NOT submit your report until you have recorded ALL expenses.

**IF IT SHOWS YOU NEED TO RETURN FUNDS  
YOU WILL BE REQUIRED TO RETURN THE  
FUNDS!**



# Important Dates to Remember

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Date	
August 2	Grant Report Tab Available to Providers in Great Start to Quality profile
August 9-September 9	Summer Stabilization Grant Application Available
September 1	Deadline to Pay Staff Bonus
September 15	Deadline to Return Unpaid Staff Bonus Funds
September 30	Summer Grant Award Letters Sent Via Email
First Week of October	Summer Grant Funds Disbursed
March 1, 2023	Spring Grant Spending Report Due
March 15, 2023	Deadline to Return Unspent Funds



# Where Can I Get Information and Help?

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- [www.Michigan.gov/childcare](http://www.Michigan.gov/childcare)
- ECIC sponsored webinars and panels
  - [www.ecic4kids.org/grants/](http://www.ecic4kids.org/grants/)
- Great Start to Quality Resource Centers ([877-614-7328](tel:877-614-7328)) and other community partners can support you with your grant spending and reporting
- Child Development and Care office [866-990-3227](tel:866-990-3227)
- Questions can also be sent to [lfuller@ecic4kids.org](mailto:lfuller@ecic4kids.org)