Updated May 4, 2020

Frequently Asked Questions for Child Care Relief Fund

The Child Care Relief Fund is a grant program (utilizing federal CARES Act funding) that helps child care providers in Michigan cover costs during the COVID-19 state of emergency. The goal of the program is to help child care providers stay in business and make child care more affordable for Michigan families.

The Michigan Department of Education (MDE) is leading administration of this grant and is working in close collaboration with partners across state government to make it accessible to child care providers statewide. These Frequently Asked Questions (FAQs) have been developed to help answer your questions about available funds.

1. WHAT TYPE OF FUNDING IS BEING OFFERED?

The Child Care Relief Fund awards non-competitive grants to child care providers. All child care providers who apply and meet eligibility requirements will be approved for grant funds. Grants do not have to be repaid.

2. WHO IS ELIGIBLE FOR GRANT FUNDS?

Child care providers, are eligible regardless of whether you are operating/open during the COVID-19 crisis to serve essential workers or closed due to Executive Order, including:

- Licensed child care centers
- Family homes and group homes
- Tribal child care
- Provisionally licensed (disaster relief child care centers) created under EO 2020-51
- Head Start and GSRP programs that also provide tuition-based child care (wrap around child care for the program day is not considered tuition-based child care)
- License-exempt child care providers who serve Child Development and Care (CDC) subsidy eligible children are eligible for a **one-time grant payment of $550**

Note: Families are not eligible to receive grant funds directly.

3. MY CHILD CARE SITE OPENED AS A RESULT OF EXECUTIVE ORDER 2020-51 (ORIGINALLY EO 2020-16). DOES MY SITE QUALIFY FOR FUNDING?

Yes. All sites that opened to serve essential workers as a result of the Executive Order qualify including provisionally licensed disaster relief child care centers that have temporary provisional licenses and those that are operating in school buildings.

4. I AM A HEAD START AND/OR GSRP PROVIDER. AM I ELIGIBLE?

Maybe. Both Head Start and GSRP programs are continuing to receive GSRP and Head Start funding during the COVID-19 crisis to address program costs and staff costs. If you are only a Head Start and/or GSRP program, and do not also provide tuition-based licensed child care, you are not eligible for funding through the Child Care Relief Fund. Wrap around child care (before and after Head Start or GSRP program hours) does not qualify as tuition-based child care services for the purposes of this grant. If you are not

sure whether you qualify, please contact the Child Development and Care Office at the Michigan Department of Education at 866-990-3227, and we can discuss your situation.

5. HOW MUCH FUNDING WILL MY CHILD CARE RECEIVE?

Total monthly grant awards will be based on individual child care provider circumstances.

Grant award amounts follow the criteria below. You can use the Grant Calculator to estimate your award. The Grant Calculator is available at www.michigan.gov/childcare.

Provider type	Child care center base amount: $3,000 per application Family/Group home base amount: $1,500 per application
Care for essential workers	$300/month per child under age 3 currently in care for essential workers $215/month per child over age 3 currently in care for essential workers
Provider size	$300/month per direct care staff member on your payroll at the time of the emergency declaration, whether open or closed.
Star rating	2 star: Additional $500 3 star: Additional $800 4 star: Additional $1,200 5 star: Additional $1,500

License exempt subsidized providers are eligible for a one-time payment of $550.

6. WHAT IS THE APPLICATION PROCESS?

- Eligible child care programs must complete and submit an online application. Visit www.Michigan.gov/childcare to complete the application.
- An application must be submitted each month to receive a grant award.
- Please use care in completing all required elements on the application to avoid processing delays.
- Providers successfully completing an application will receive a confirmation email of receipt.

7. CAN AN AGENCY SUBMIT ONE APPLICATION FOR ALL SITES IF THEY HAVE MORE THAN ONE SITE?

No. Each site (physical location with a child care license number or provisional designation) is considered a different program. Each license number requires an application.

8. WHAT IF I FORGET MY SIGMA CODE?

If you have forgotten your SIGMA vendor code, you can look it up by following the instructions at; **How to Find Your SIGMA Vendor Number**. If you need assistance, please contact the SIGMA Help Desk for assistance. You can reach the Help Desk via e-mail at SIGMA-Vendor@Michigan.gov.

9. WHAT IS THE DEADLINE FOR SUBMITTING AN APPLICATION?

The April grant application is now available and there is no current application deadline.

The May grant application will be available in mid-May. An updated FAQ will be released to include future application deadlines.

Note: Because the nature of the COVID-19 is changing frequently, there may be modest changes to the grant application in May. Please check back for more information.

10. HOW WILL I RECEIVE MY GRANT?

After a provider applies, they will receive a confirmation email indicating their application has been received. The Michigan Department of Education will then verify eligibility and may contact the provider for clarification of application items. Once the application is processed for payment, a confirmation email will be sent to the provider.

Then payments will be processed. If a child care provider has a SIGMA vendor code and provides it in the application, they will receive funds through the payment method they have set (EFT or check). If a provider does not have a SIGMA vendor code, a check will be mailed.

Please allow 2-3 weeks for payment processing.

11. WHAT CAN I USE THE FUNDS FOR? ARE THERE ANY RESTRICTIONS?

Funds are very flexible and can be used to support a range of expenses related to ongoing operations or reopening a facility. These expenses include, but are not limited to, payroll, mortgages and rent, utilities, insurance, and supplies and equipment.

Fund are also intended to provide financial relief to families and make care more accessible and affordable. To achieve that goal, providers must also use funds to:

1. Lower weekly rates for the families they serve by at least 10%. This discount must continue (at a minimum) in the months they receive funding from the Child Care Relief Fund.

   Note: The intent is not for providers to refund payments to families. We acknowledge this creates a financial hardship for providers. This policy must be in effect for at least 30 days from the time the provider applies for a grant.

2. Not charge a fee to hold a child's spot in your program. This practice must continue (at a minimum) in the months I receive funding from the Child Care Relief Fund.

   Note: The intent is not for provider to refund payments to families. We, again, acknowledge this creates a financial hardship for providers. This policy must be in effect for at least 30 days from the time the provider applies for the grant.

12. CAN YOU CLARIFY THE REQUIREMENT THAT PROVIDERS NOT CHARGE A FEE TO HOLD A CHILD'S SPOT IN THEIR PROGRAM WHILE RECEIVING GRANT FUNDS?

Depending on your child care contract, providers may be allowed to charge families to hold their spot, even if a provider is not open. This practice is understandable during normal absences from care, however, during this crisis, these fees create a financial

hardship for many families. One of the goals of the Child Care Relief Fund is to make care more affordable for families. This requirement helps achieve that goal.

By accepting this grant funding, you are agreeing to not charge a fee to hold a child's spot in the months you receive the funds. The intent is not for a provider to refund payments to families. We, again, acknowledge this creates a financial hardship for providers. This policy must be in effect for at least 30 days from the time the provider applies for the grant.

13. IF I RECEIVE GRANT FUNDING, AM I STILL ELIGIBLE FOR UNEMPLOYMENT INSURANCE?

If your site is closed, you or your staff members may have filed for unemployment insurance. Receiving this grant does not affect your ability to file or receive unemployment insurance. However, how you spend the money may.

If you use the grant to pay wages for you or your staff, this could affect whether you or your staff are eligible to receive unemployment insurance on a weekly basis.

If the wages you pay an individual (including yourself or a staff member) from grant funds are **more than** 1.5 times their weekly benefit amount, they will not be eligible for unemployment insurance benefits that week. This includes state and federal benefits ($600 a week until July 31). Individuals should still complete their unemployment certification but should select NOT to claim benefits for this week. By doing this, their benefit weeks will not be reduced.

If the wages you pay an individual (including yourself or a staff member) with grant funds are **less than** 1.5 times their weekly benefit amount, their state benefits may be reduced for that week, but they will still be fully eligible for federal benefits ($600 a week until July 31).

Any of the grant dollars that are going toward wages (and not mortgage, utilities etc.) will need to be reported as income when you or a staff member certify for unemployment insurance benefits.

14. AM I ELIGIBLE FOR A GRANT IF I HAVE RECEIVED A SMALL BUSINESS LOAN?

Yes. Providers are eligible for a grant regardless of other funding they have received, including (but not limited to) loans from the federal Payroll Protection Program.

15. DO GRANTS NEED TO BE REPORTED AS INCOME?

Child Care Relief Fund grants will be counted as income and 1099s will be issued for payments over $600.

16. HOW SHOULD I COUNT HOW MANY CHILDREN OF ESSENTIAL WORKERS I WAS SERVING?

In April, child care providers were only eligible to remain open if they were serving children of essential workers, sometimes called "critical infrastructure workers."

If you were open and serving essential workers in April, report the number of children under age 3 and over age 3 who were in attendance for one or more days in the month.

If you were not open and serving children in April, you will not be required to answer this question in the grant application.

Childcare providers are required to ask a parent or caregiver to confirm that they are an essential worker (sometimes called critical infrastructure worker). Childcare providers are not required to verify whether a parent qualifies.

For reference, the state of Michigan provides a detailed summary of who is considered an essential worker.

17. HOW SHOULD I COUNT HOW MANY DIRECT CARE STAFF ARE ON MY PAYROLL?

On the application, enter the number of direct care staff on your payroll as of March 10, 2020 (before the state of emergency was declared). Our intent is to use this number as a proxy for the size of your program. This guidance applies regardless of whether a provider is open or closed.

Direct care staff includes teachers, assistant teachers, and support staff who directly work with children. You may include full and part time staff.

If you are the owner of a family home or group home you should count yourself in the staff number reported.

18. WHAT IF I MAKE A MISTAKE WHEN SUBMITTING MY APPLICATION OR I NEED TO MAKE AN ADJUSTMENT TO MY APPLICATION?

We encourage all providers to read the FAQ fully before submitting the grant. Please also review your application to confirm all information is correct before clicking the submit button. If you believe you have made an error, call the CDC Office 866-990-3227 to discuss your application and determine next steps.

19. AM I REQUIRED TO SUBMIT SUPPORTING DOCUMENTATION OR RECORDS FOR THE GRANT?

No. You are not required to submit supporting documentation with the online application. However, you are required to maintain records that support your grant application and use of funds for four years in the event the records are requested for an audit or other purposes.

20. FOR MORE INFORMATION, PLEASE CONTACT:

The Michigan Department of Education will be processing applications as quickly as possible. If you have questions about your application, please contact the Child Development and Care Office at the Michigan Department of Education at 866-990-3227 or your Regional Resource Center 877-614-7328.