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 children and families or closed, including:

- Licensed child carecenters.
- Family homes and group homes.
- Tribal child care.
- Provisionally licensed (disaster relief child care centers) created under EO 2020-83.
- 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 2020-83 (ORIGINALLY EO 2020-16). DOES MY SITE QUALIFY FOR FUNDING?

Yes. All sites that opened to serve children and families 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 AM I ELIGIBLE TO 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
Children in Care	$300/month per child through the age of 2 in care for at least 5 days in May $215/month per child 3 and older in care for at least 5 days in May
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.
- Eligible licensed providers, tribal programs and disaster relief child care centers, **must** register in SIGMA to receive payment.
- 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 DON'T HAVE A SIGMA VENDOR CODE AND I NEED ONE TO APPLY?

If you need a SIGMA vendor code, please call 888-734-9749 or email the SIGMA Help Desk at SIGMA-Vendor@Michigan.gov. You can also find instructions at www.michigan.gov/childcare.

9. WHAT IF I FORGET MY SIGMA VENDOR CODE OR I NEED A SIGMA CODE TO RECEIVE A GRANT PAYMENT?

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 or 888-734-9749.
Note: License Exempt providers do not need to apply for a SIGMA vendor code.

10. HOW WILL I RECEIVE MY GRANT FUNDS?

After providers apply, 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 and payment will be sent to SIGMA.** Providers can check the status of their SIGMA payment via SIGMA.

Please allow a **minimum of 4-6 weeks** for payment processing of a complete application.

11. WHAT IS THE DEADLINE FOR SUBMITTING AN APPLICATION?

The May grant application will be available on June 8 for approximately one month. An updated FAQ and additional resources will be released to include application deadlines.

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

12. 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 (ex: cleaning/sanitation supplies, PPE, thermometers, items to create social distancing in play spaces, new toys and materials that allow for rotation of items in play spaces, etc.).

Funds are also intended to help you provide financial relief to families and make care more accessible and affordable while helping you operate and reopen your business. Funds are not intended to purchase playground equipment or to make renovations in your program/home.

Based on feedback from providers and more children needing care due to their parents returning to the workforce, the following assurances for the May application **have been removed and are no longer criteria commitment providers must make to receive the grant.**

- 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.

- 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.

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. ARE CHILD CARE PROVIDERS ELIGIBLE TO RECEIVE CHILD CARE RELIEF FUND GRANTS IN ADDITION TO OTHER FEDERAL OR STATE PROGRAM FUNDS (E.G., THE PAYMENT PROTECTION PROGRAM FROM THE SMALL BUSINESS ADMINISTRATION)?
We know that there are other grant and loan opportunities available to some child care providers. You may apply for the Child Care Relief Fund grant, in addition to other opportunities.

However, child care providers who receive Child Care Relief Fund grants may not use grant funds for costs that are reimbursed or compensated by other federal or state programs, including the Small Business Administration's Paycheck Protection Program (PPP), the Public Health and Social Services Emergency fund, or unemployment compensation. For example, if you received PPP and you used it to cover staffing costs, you may not use the Child Care Relief Fund grant to also cover the same staffing costs.

On your application you will need to certify that you understand this requirement and will not use the funds for the same expenses. You must keep records indicating the use of each of these funds for 4 years for audit purposes.

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 THE NUMBER OF CHILDREN SERVED IN MAY?
If you were open and serving children in May, report the number of children through

the age of 2 and children 3 and older who were in attendance for **five or more days in the month**. If you were not open and serving children in May, you will not be required to answer this question in the grant application.

Children should only be included if they are counted as part of your child to staff ratio according to child care licensing.

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. Multiple application submissions will delay your payment processing. Please only submit one application. 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.