

Montana Department of Public Health and Human Services

MONTANA CHILD CARE STABILIZATION GRANT FREQUENTLY ASKED QUESTIONS

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FAQs updated on or after 12/02/2021 supersede previous FAQ versions and town hall language.

ABOUT THE GRANT

How are these grants different than other grants I may have applied for in the past?

These grants are intended to support your operating costs. Often, in other grant opportunities, you may submit a certain plan for set purchases. For example, you may develop a budget to buy new playground equipment and submit a grant asking for funding to buy new equipment. Stabilization grants are focused on what it costs you to do business. For example, stabilization grants might fund a person's mortgage or rental costs, but they wouldn't be used to buy a new facility.

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Is the One-Time Child Care Stabilization Grant a loan that needs to be paid back?

No, this grant is not a loan. These funds are provided to stabilize the continued operations of child care programs.

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When do I need to have the One-Time Child Care Stabilization Grant funding spent?

Programs are encouraged to spend the funding each quarter. Grants are intended to cover ongoing operating expenses. All funding must be spent by September 30, 2023.

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Can I charge fees if I receive these funds?

Yes. You may charge fees to families attending your program. In the application, you will be asked to certify that you will provide relief from co-payments and tuition payments for the families enrolled in the childcare program, to the extent possible, and prioritize such relief for families struggling to make either type of payment. A provider will determine how they may offset costs to families.

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Are the One-Time Child Care Stabilization Grant funds taxable?

If you receive these funds, you will be mailed a 1099 form. Consult with your accountant for more information.

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How long do I have to stay in business if I receive stabilization grant funding?

Providers should remain in business serving children during the period they are receiving stabilization funding until at least 90 days after the date of the last payment. If a childcare business closes or sells during those time periods, they may be subject to repayment of funds.

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Under what circumstances can I be closed temporarily and still receive these funds?

You are eligible to receive funds if your business temporarily closes under any of the following circumstances:

- Under guidance issued by the State of Montana or your local public health agency
- Financial hardship
- COVID-19 illness or outbreak in your program
- Other COVID-19 related reasons

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If I sell my child care business, can the new owner receive the Stabilization funds?

No. Stabilization grants are awarded and contracts are issued by PV number. New ownership will terminate the contract.

The Department is not in a position to comment on individual business arrangements.

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Why does my business need to be registered with the Secretary of State?

If your business qualifies, registering your business with the Montana Secretary of State is a requirement to receive Montana One-Time Child Care Stabilization funds. To find out if your business qualifies, register your business, or get your registration current, go to <https://biz.sosmt.gov/forms/business>.

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Are the data provided in the One-Time Child Care Stabilization Grant application and which programs receive funding awards public information?

Most of the data in the application is classified as public data, and if requested, must be made available to the person requesting it. Personally identifying information is not public and will not be shared.

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ALLOWABLE OPERATING EXPENSES

What are the allowable operating expenses?

You can use the One-Time Child Care Stabilization Grant money to pay for allowable operating expenses.

The operating expenses are:

- Personnel costs like payroll, benefits, premium pay, bonuses, and staff recruitment and retention costs
- Rent or mortgage and facility expenses like utilities, insurance, maintenance, and minor COVID-19-related improvements
- Personal Protective Equipment (PPE) like cleaning and sanitation supplies and services
- Training and professional development for staff on health and safety practices
- New or updated equipment and supplies to respond to COVID-19
- Goods and services to maintain or resume business

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Can payroll taxes be included in my personnel costs?

Yes, payroll taxes are an allowable operating expense. For more information, go to the Code of Federal Regulations [CFR 200.470](#).

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What are examples of staff retention and recruitment expenses?

Staff retention and recruitment expenses could include raises, bonuses, education stipends, free or reduced childcare, or staff appreciation expenses such as meals.

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Are gift cards considered an allowable staff retention expense?

Gift cards are discouraged but could be considered a staff appreciation gift. Providers may need to provide documentation to show how gift cards are used for staff retention.

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Does an existing loan count as an operating expense?

Yes. An existing regular monthly loan payment is an allowable operating expense.

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Can I use grant funds to pay property tax?

Yes. Your regular property tax expense is part of your regular mortgage payment. You may not use grant funds to pay property tax debt. For more information, go to the Code of Federal Regulations [CFR 200.470](#).

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What is considered a minor COVID-19 related improvement?

Examples of minor facility improvements are:

- Fencing around playground area so children can social distance
- Furniture and shade structures to move routines outside so children can social distance
- A hand washing sink to reduce the spread of COVID-19 germs
- Anything that is not a *major renovation*.

As defined by 45 CFR 98.2, a *major renovation* means: (1) structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility, or the extension of a facility to increase its floor area; or (2) extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change.

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Is reimbursing, refunding, waiving, and/or discounting tuition for parents an operating expense?

No. Tuition is not an operating expense. Tuition is revenue. However, waiving or discounting tuition does fulfill the requirement in Certification C of the application to provide relief from co-payments and tuition payments, to the extent possible, for the families enrolled in your childcare program.

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Can I use grant funds to pay for financial consultation to help me consider how to use the grant funds?

Yes. Working with a financial consultant is an allowable operating expense. It might show up in your budget as a professional services line item.

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IF I AM AWARDED

What is the payment schedule for all the application submission periods?

Providers will receive a payment every quarter. The first payment will depend on when the application is submitted. Payments are subject to available funding.

Application Submission Date	1 st Payment	2 nd Payment	3 rd Payment	4 th Payment	5 th Payment
10/7/21 - 12/15/21	February 2022	April 2022	July 2022	October 2022	January 2023
1/4/22 - 1/31/22	April 2022	July 2022	October 2022	January 2023	April 2023
4/1/22 - 4/30/22	July 2022	October 2022	January 2023	April 2023	July 2023
7/1/22 - 8/12/22	October 2022	January 2023	April 2023	July 2023	September 2023

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What if I can't spend all the funding?

Working with a financial consultant may be helpful to identify ways to spend the funds. If you violate the terms of the application certifications or contract or are found to have provided false or misleading information to DPHHS, you may have to repay prior payments, have future payments discontinued, and/or be referred for additional action.

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

Maybe. All awarded programs are required to maintain records of how the funds were spent and be prepared to share those records should DPHHS request them. DPHHS will conduct random monitoring audits. If selected for a random audit, you will be asked to provide the Department with receipts and other documentation to demonstrate the eligibility and use of funding.

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What is Infant and Early Childhood Mental Health Consultation?

Infant and Early Childhood Mental Health Consultation (IECMHC) is a preventive mental health service that teams mental health consultants with adults who work with young children to improve children's social and emotional development. For more information, click [here](#).

Statewide Infant and early Childhood Mental Health Consultation services will be dependent on available funding.

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If a program chose not to opt in to Infant and Early Childhood Mental Health Consultation, can the program opt in later?

Yes, the program can opt in at a later date.

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What are some ways my childcare program can provide relief from co-payments and tuition payments for the families enrolled in my childcare program?

This is a business decision for you to make. Remember, you will be asked how you are meeting the criteria during site monitoring and/or quarterly reporting. Some examples might include:

- Maintaining current rates instead of a routine annual increase for example
- Establishing sliding fee scales
- Offering scholarships in addition to the Best Beginnings Scholarships
- Offering discounts

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