

# Child Care Stabilization Grant

**Reporting Training for Providers**

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





# Fall 2021 Stabilization Grants

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In Michigan, there are 7,926 eligible child care providers which includes 12 federally recognized tribes. Of those providers, 5,910 programs submitted applications for the Child Care Stabilization Grant. We're happy to report that **5,890 programs were approved** and 20 were ineligible. In total, Michigan will distribute \$365,572,525 in grant funds.

**5,910 Total Provider  
Stabilization Grant  
Applications**

4,475 total  
Licensed Centers

2,961 Submitted Applications  
\$108,685 Average grant amount

1,468 total  
Licensed Group  
Homes

1,310 Submitted Applications  
\$20,454 Average grant amount

1,971 total  
Licensed Family  
Homes

1,632 Submitted Applications  
\$10,763 Average grant amount

12 total Tribal  
Providers

7 Submitted Applications  
\$76,136 Average grant amount



# Geographic Location of Grant Awards



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

	Licensed Centers	Group Homes	Family Homes	Tribal Centers
Total Applications	2,952	1,306	1,625	7
Northern Region	227	174	173	6
Eastern Region	531	337	330	0
Southeastern Region	1563	408	499	0
Western Region	629	387	623	1
Average Grant Amount	\$108,685	\$20,454	\$10,763	\$76,136



# 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.




# How Do I Fill Out Reports?

Grant Spending Report  
Recruitment and Hiring Report



# Grants Tab

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**Great Start to Quality**  
*Start here for Quality Early Childhood Education*

**Northwest**

8164 Executive Court, Suite A  
Lansing, MI 48917  
(877)-614-7328  
[greatstarttoquality@ecic4kids.org](mailto:greatstarttoquality@ecic4kids.org)  
[www.greatstarttoquality.org/](http://www.greatstarttoquality.org/)

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Great Start To Quality STARS

Grants

**Closed Grants**

- Child Care Stabilization Grant, Fall 2021


**Approved Grant Applications**

- Child Care Stabilization Grant, Fall 2021



# Reports and Receipts

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Northwest

8164 Executive Court, Suite A  
Lansing, MI 48917  
(877)-614-7328  
[greatstarttoquality@ecic4kids.org](mailto:greatstarttoquality@ecic4kids.org)  
[www.greatstarttoquality.org/](http://www.greatstarttoquality.org/)

Update Data	Pictures	View Profile	Consumer Ed	Referral Counts	Great Start To Quality STARS	Grants
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Grants » Child Care Stabilization Grant, Fall 2021 » Application Details

Applications Details	Notification Letter	Grant Spending Report	Recruitment/Hiring Report	Receipts	Impact Story
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# Grant Spending Report

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- Includes both staff bonus payments and operational funds.
- Staff bonus payments must be made by March 1, 2022.
- Initial fall 2021 report due **prior** to submitting an application for spring 2022 grant.
- If you are not applying for a spring 2022 grant the final grant spending report for fall 2021 is due no later than July 31, 2023.





# Grant Spending Report

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Grants » [Child Care Stabilization Grant, Fall 2021](#) » Application Details

Applications Details Notification Letter **Grant Spending Report** Recruitment/Hiring Report Receipts Impact Story

## Grant Spending Report

As a recipient of a Child Care Stabilization Grant, you are required to report about your grant spending. **Providers must complete the fall spending report prior to being able to apply for the March 2022 grant.**

If you have questions about reporting, please review the information at [Michigan.gov/childcare](https://michigan.gov/childcare). This document explains what expenses can be included in each line. If you have additional questions or need technical assistance, we're here to help! Please contact your Great Start to Quality Resource Center at 877-614-7328 or the Child Development and Care office at 866-990-3227.

### Staff Bonuses

You received funding specifically to provide bonuses of \$2,000.00 for 2 full-time staff and \$500.00 for 1 part-time staff.

	Number of Staff at Time of Application	Amount of Staff Bonuses Received	Number of Staff Bonuses Paid by March 1, 2022	Staff Bonus Funds Remaining to be Returned
Full-Time	2	\$2,000.00	<input type="text" value="2"/>	\$0.00
Part-Time	1	\$500.00	<input type="text" value="1"/>	\$0.00
<b>Totals</b>	3	\$2,500.00	3	\$0.00

☒ I certify that all funds received for staff bonuses were used 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.

☒ The Grant Spending Report can be saved without submitting at any time. I understand that I have until July 31, 2022 to submit my final report for the fall 2021 stabilization grant award.



# Grant Spending Report

In addition to funding for staff, you received \$19,087.50 from the Child Care Stabilization Grant in fall 2021 Application. This report is required to document that these funds have spent on allowable expenses. The Department will use this information to meet federal reporting requirements.

Only report expenses that you are charging to the Child Care Stabilization Grant funds. As a reminder, you cannot charge expenses to this grant if it has been covered by another dedicated funding source (Head Start/Early Head Start, GSRP, disaster relief funding, CACFP, CARES grants, etc.) or by another federal grant program (for example, the Paycheck Protection Program (PPP), the Public Health and Social Services Emergency fund, or unemployment compensation).

Category	Expenses	Expense Description
Personnel Costs ⓘ	Funds Used	Expense Description
Salaries ⓘ	<div>\$ <input type="text"/></div>	<input type="text"/>
Employment Taxes, Self-Employment Tax, and Fringe Benefits ⓘ	<div>\$ <input type="text"/></div>	<input type="text"/>
Increased Personnel Salaries/Wages (recruitment bonus, staff bonus, premium pay) ⓘ	<div>\$ <input type="text"/></div>	<input type="text"/>



# Hiring and Recruitment Report

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- Hiring and recruitment funds must be spent by July 31, 2022.
- Hiring and recruitment report due by July 31, 2022.
- Unspent hiring and recruitment funds must be returned.



# Hiring and Recruitment Report

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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"/>



# Certifications

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- Grant certifications remain the same as the original applications. You will be certifying that you:
  - Payment of staff bonuses
  - Have spent grant funds on allowable expenses
  - That you will participate in monitoring activities and provide requested documentation
  - That you will notify the Department if you permanently close



# Uploading Receipts

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Applications Details

Notification Letter

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Receipts

Impact Story

Total Awarded Amount:  
\$19,955.00

Total Receipt Amount: \$0.00

Refunded Amount: \$0.00

Year	Vendor Name	Receipt Date	Item Description	Purchase Amount	Attachment
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Add New Receipt

Grant

Vendor Name

Receipt Date

Purchase Amount

Item Description

Attach New Receipt

Choose File

No file chosen



# Impact Story

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Applications Details

Notification Letter

Grant Spending Report

Recruitment/Hiring 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.

0/5000

Save

Cancel

Upload Image:

Choose File

No file chosen

Image Description:

Submit



# 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**

Category	Amount											
	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 – MORE Information Coming February 1!

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- ECIC will be hosting some webinars and panels on spending ideas for the operational funds. These opportunities will include a variety of state partners and experts to support you.
- Dates and topics to be shared soon!

[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
  
- 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?

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- **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?

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## Allowable:

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

## Not Allowed:

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



# How Do I Document My Expenses?





# Personnel Costs - Examples

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- 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

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- 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.



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

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- 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

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- 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

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- 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

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- 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.



# Paying for Past Expenses - Examples

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- 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.



# Staff Bonuses – What are the Tax Implications?

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- 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!

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If staff quit BEFORE you pay their staff bonus:

- 1) Will you be replacing them before March 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 APRIL 1, 2022.

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



# What if I Close my Program?

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- By accepting this grant funding you are agreeing to stay open at least until July 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.



# Need Ideas for Spending?

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**BEFORE** you decide to return funds to MDE, we ask that providers reach out to their Great Start to Quality Call 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

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**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?

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- If your license type has changed since you applied for the grant you can use your grant dollars at the new location.
- WE ARE STILL WORKING OUT REPORTING IN THIS SITUATION.
- 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 Monitoring

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- Will begin 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 auditing between 10 and 20% of the grants awarded, so assume you WILL be audited.
- If audited, 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.



# Important Dates to Remember

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February 1	Grant Report Tab Available to Providers in Great Start to Quality profile
March 1	Staff Bonus Funds Must be Paid to Staff
March 22 – May 20	Grant Spending Report Due Prior to Applying for Spring 2022 grant funding
July 31	Recruitment/Hiring Report Due



# 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 [886-990-3227](tel:886-990-3227)
- Questions can also be sent to [lfuller@ecic4kids.org](mailto:lfuller@ecic4kids.org)