



## FAQs: Peacetime Emergency Child Care Grants

As part of their COVID-19 Response Supplemental Budget proposal, Gov. Tim Walz and Lt. Gov. Peggy Flanagan proposed \$30 million in funding for emergency grants for licensed child care providers serving essential workers during the COVID-19 public health emergency. Child care providers and educators themselves are expressly listed as essential.

There are approximately 420,000 children under the age of 12 who live in a household of an essential worker within a [critical sector](#). Of these, the state estimates that, during this peacetime emergency, about 270,000 children will need care, and approximately 120,000 are likely to need and use licensed child care settings. Child care providers play a key role in enabling emergency and essential personnel to go to work.

The child care sector operates on small margins and has experienced financial strains prior to the emergence of COVID-19. These financial challenges are intensifying as revenue decreases with the continuation of the public health emergency. On March 26, 2020, the Minnesota Legislature passed the governor's supplemental budget proposal, and Gov. Walz signed it into law on March 28, 2020.

The Minnesota Department of Human Services, Governor's Children's Cabinet and Child Care Aware of Minnesota are working on the grant application and distribution process. Below are answers to frequently asked questions about the grants, as of June 5, 2020.

### 1. Who will administer the grants?

[Child Care Aware of Minnesota](#), a nonprofit that, for more than 25 years, has helped families find child care, supported the professional growth of child care providers, and informed local communities on the importance of quality early education for every child.

Child Care Aware of Minnesota works with agencies across the state that support the quality and professional growth of child care providers and programs. The Child Care Aware system has experience providing grants to Minnesota child care providers, which allows them to use existing processes and infrastructure to administer the grants.

### 2. What types of child care programs will be eligible for the grants?

Child care programs eligible to apply for grants under this section include:

- Family and group family licensed under Minnesota Rules, chapter 9502
- Child care centers licensed under Minnesota Rules, chapter 9503
- Centers certified under Minnesota Statutes, Chapters 245H Subdivision 2 (11), (12), (15) and (18); these are nonprofit programs that primarily provide care for school-age children in the summer months; see questions 3 to 7 for more information about certified centers
- Tribally licensed child care programs.

For these providers to be eligible, they must also meet the following requirements:

- Have a license or certification in good standing
- Not operating on a conditional license, under revocation, or under temporary immediate suspension, if licensed
- Not the subject of a finding of fraud
- Not prohibited from receiving public funds under [Minnesota Statute 245.095](#), which requires that any provider, vendor or individual be excluded from receiving grant funds if excluded from another Minnesota Department of Human Services program.

Other program types may become eligible as determined by the commissioner of Human Services. At this time, no additional programs are eligible.

### **3. Why are certified license-exempt child care centers now being made eligible?**

Certified centers were not eligible in the first and second rounds of grant awards, but have been made eligible for the third round. These programs are being included to help address the need for summer child care for school-age children, with a focus on programs that are certified to serve children from lower income families. Some of these programs have been providing care for school-age children during mandatory school closures and have experienced financial losses due to the impact of the peacetime emergency.

### **4. What types of certified centers are eligible to apply for a Peacetime Emergency Child Care Grant?**

Nonprofit child care programs that primarily provide care for school-age children, including in the summer months, are eligible. About 100 programs across the state meet this criteria. Similar to child care center businesses with multiple locations, certified centers may apply for a grant for each individual site that meets the eligibility criteria.

### **5. Which certified centers are not eligible to apply for a grant?**

Certified centers that are not eligible to apply for a grant are school-based centers and Head Start programs. These programs may have access to other public funding including additional funding provided in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. More information is available at the Department of Education's [COVID19 Update page](#).

### **6. How will certified centers compete against the other programs eligible to apply for the grant?**

Certified centers will have to meet the same requirements, and those that apply for a grant will be evaluated using the same rubric and process as the other applicants and will compete for the same regional allocation of grant funds as other eligible providers. Equitable distribution by geography and provider type will continue to be a factor in award decisions.

### **7. If the pool of eligible providers is being expanded, does that mean more funds will be available?**

For the third round of grants in June, an additional \$10 million has been added to the funds available for grants, doubling the total to approximately \$20 million for this round. These additional funds are from the federal government through an increase to the Child Care and Development Block Grant (CCDBG) from the Coronavirus Aid, Relief, and Economic Security (CARES) Act

These funds have been added to this round to more fully meet the need demonstrated in previous grant rounds, and to accommodate the newly eligible certified centers.

## 8. What are the requirements to receive a grant?

- a) To receive a peacetime emergency child care grant, an eligible program must agree in writing to:
- b) Prioritize spaces in their program for children of essential workers, as [identified in state guidance](#).
- c) Maintain service for the period of the grant (one month with opportunity for monthly renewal) or until the peacetime public health emergency ends, whichever is first. There is an exception for service disruptions that are necessary due to public health guidance to protect the safety and health of children and child care providers requested by the Minnesota Department of Human Services or Minnesota Department of Health. Exceptions also include other planned temporary closures for provider vacations and holidays, and for providers impacted by the recent vandalism, looting and destruction of public and private property in the Twin Cities metropolitan area in the aftermath of the death of George Floyd in South Minneapolis.
- d) Use health and safety practices that prevent the spread of COVID-19 in a child care environment based on guidance created by the commissioner of Human Services, in consultation with the commissioner of Health. This guidance is posted on [mn.gov/childcare](http://mn.gov/childcare).
- e) Not require fees (including copayments) from families whose children attended prior to the peacetime emergency but are no longer attending.
- f) Must re-enroll previously enrolled families who temporarily stopped attending their program during the peacetime emergency, provided there is sufficient capacity available and the families of the children have not violated the terms of the contract with the provider, other than terms related to the payment of fees and any required notification for disenrollment.

## 9. Do child care providers have to care for children of essential workers in order to receive the grant?

Open child care providers are encouraged to prioritize needs of families working in critical sectors. [Guidance on essential workers for schools and child care](#) lists the critical sectors described in the governor's executive orders related to the emergency response. More detailed [critical worker definitions](#) from the [Governor's Stay at Home Executive Order 20-20](#) refer directly to the federal Cybersecurity and Infrastructure Security Agency guidelines.

While child care providers must agree to prioritize children of [essential workers listed here](#), the legislation does not require that a provider have these children in their care at the time of application.

If child care providers are currently caring for children of essential workers, the provider is eligible to apply for the grant if they meet the other requirements, listed in Question 8.

Providers may charge fees for children of essential workers attending their program during the emergency.

## 10. Can providers care for children of nonessential workers during the peacetime emergency if they receive a grant?

Yes, provided the program has the capacity to do so in compliance with the commissioner's health and safety guidance. Providers may charge fees for children of nonessential workers attending their program during the peacetime emergency.

## 11. Are providers who receive Child Care Assistance Program (CCAP) payments eligible for the grant?

Yes, providers who receive Child Care Assistance Program payments are eligible for the grant. However, as noted above in section D of Question 8, providers must not require fees (including copayments) from families whose children attended prior to the peacetime emergency but are no longer attending. See Question 26 below for more information about the Child Care Assistance Program.

## 12. Are providers who receive Early Learning Scholarships eligible for the grant?

Yes, providers who receive Early Learning Scholarships are eligible for the grant. Here is more information on [Area Administrators](#).

## 13. How will grants be distributed? What will be put in place to ensure equitable distribution (e.g. by geography and provider type)?

The grant legislation requires Child Care Aware of Minnesota to consider local needs, financial vulnerability and access to other financial supports. Grants should be distributed “to the extent practical” in an equitable way by geographic distribution and provider type.

In carrying this out, the application process will prioritize based on:

- Geographic distribution of grants
- Areas experiencing child care shortages
- Financial risk (see Question 14 for more information)
- Equitable access for families needing child care
- Hospital or other essential service needs in the community (i.e. a correctional facility, utility plant or other critical sector demands in a particular community)
- Consideration of balance by provider type (e.g. family and center-based providers).

## 14. How will provider financial risk be determined as a part of the grant award process?

While the pandemic is putting financial strain on almost all child care programs, there are several programs available to provide financial support. These include grants or loans through the Small Business Association Economic Injury Disaster Loan program, Paycheck Protection Program funding, or from other sources such as a private foundation or philanthropic organization for center-based programs. While receiving funds from these sources will not disqualify a program from receiving an emergency grant, applicants who have not received funding may be scored higher.

## 15. Will every applicant get a grant?

In round one of the grant awards in April, about 25% of providers applying were awarded grants. It is likely that a similar percentage of awards will be issued in subsequent rounds. However, all interested providers are strongly encouraged to apply.

## 16. How much are the grant amounts?

Selected applicants will receive an award on a month-to-month basis. Monthly grant awards start at \$4,500. All providers awarded a grant are also eligible to receive an additional \$1,000 per month if they meet one or more of the following criteria:

- Are open during non-standard hours (defined according to the Child Care Business Survey as open before 6 a.m., after 6 p.m., and/or on weekends), including overnights
- Serve children whose first language is other than English, and/or
- Serve children with special needs.

Providers that are licensed or certified to serve 15 or more children will be eligible for an additional amount of up to \$15,500 per month. The maximum grant a provider is eligible for is up to \$21,000 in one month. Providers may be eligible to receive grants for more than one month; however, grant award amounts are subject to change (increase or decrease) on a month-to-month basis.

**17. If providers closed their child care program temporarily due to low enrollment and/or public health concerns, can they reopen and be eligible for the grant?**

Yes, if they apply, prioritize essential workers and meet the other eligibility requirements of the grant. In fact, the need for child care for essential workers currently exceeds the available child care capacity.

**18. How long is the grant period? Will a child care provider need to reapply to continue receiving the grant?**

Selected applicants will receive an award on a month-to-month basis. The purpose of these grants is to respond to emergencies, so the distribution of grants could shift depending on needs and response to the pandemic. Applicants who apply and receive a grant one month will be eligible and required to apply to receive the grant for another month. Applicants who apply and don't receive an award in one month may reapply to receive a grant in a succeeding month.

**19. How does a program apply for a grant?**

Eligible child care providers can access the [application](#) and learn more about the process on [Child Care Aware's website](#).

**20. Is the data in my application and the information about my grant award public data?**

Most of the data in your grant application is classified as public data, and if requested, must be made available to the public. Private data that cannot be shared with the public is data that can potentially identify children in your program, and data about individuals, such as a phone number or an email address.

Child Care Aware of Minnesota and the Minnesota Department of Human Services received many requests from the public for information on grant award recipients for the first round of funding. In response to those requests, a list of recipients for the first round was made available. A geographic breakdown of applications and awards, and an explanation of the scoring process, can be found on [Child Care Aware's website](#) under Past Round Data.

**21. How long will it take after a provider applies to receive a grant?**

June applications will be available from June 8 to June 15 by 5 p.m. Award announcements are planned to occur on June 19 and all awards will be distributed by July 3.

**22. If child care providers filled out the survey to inform the state they are willing to provide care for essential workers, does this mean that they will receive or have already applied for the grant?**

No, completing [this survey](#) is not part of the application process and filling it out does not mean providers applied for or will receive a grant. However, it will be used to help identify open providers. Completing the survey allows providers to share with Child Care Aware of Minnesota, the Children's Cabinet and Minnesota Department of Human Services that they are open and willing to serve essential workers, so those agencies can share the information with parents and guardians who need child care. To apply for a grant, providers will have to fill out an [application on the Child Care Aware website during open application times](#).

**23. Do child care providers have to be participating in Parent Aware to receive a grant?**

No, participation in Parent Aware is not required to receive this grant.

**24. Do child care providers have to use [Develop, Minnesota's Quality Improvement & Registry Tool](#), to apply for a grant?**

No.

**25. Do child care providers have to operate at their full licensed capacity to receive a grant?**

No, providers who hold a license do not have to operate at their full licensed capacity to receive a grant. In fact, implementing health and safety recommendations to prevent the spread of COVID-19 may limit the ability to operate at full licensed capacity for some providers.

**26. Are there other financial supports available to child care providers?**

Yes. The Minnesota Department of Education has waived the absent-day policy in the Early Learning Scholarship Program, and enabled concurrent payment to a provider who needs to temporarily close and a replacement provider selected by the scholarship recipient's family. See page 16 of [this guidance document from the Minnesota Department of Education](#) for additional information.

The Child Care Assistance Program (CCAP) will pay for additional absent days when families request an exemption and will pay for up to one month for a provider who needs to temporarily close. The program can authorize payment to a second provider when one temporarily closes, is extending provider renewals and is working to modify policies for additional flexibility. For more information, visit the Minnesota Department of Human Services [waivers and modifications webpage](#).

Child care providers may also be eligible for business loans, including the [Federal Small Business Administration COVID 19 Disaster Loans](#). The federal Coronavirus Aid, Response and Economic Security Act has provisions that expand the [Small Business Administration's Economic Injury Disaster Loans](#) and the [new Paycheck Protection Program](#), for which providers may be eligible. [Small Business Administration Resource Partners](#) are available to help with no-cost, one-on-one business counseling regarding COVID-19.

Child Care Aware and the Minnesota Department of Human Services are working together to acquire supplies and personal protective equipment that providers may not be able to get or afford. Providers are encouraged to fill out [this survey](#) to document their needs.

**27. Where can the latest information and resources be found for child care providers and families during the peacetime emergency?**

Please visit [mn.gov/childcare](http://mn.gov/childcare).