2023

**DC Child Care Stabilization Targeted Grant**

***Updated July 2023***

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# Section I: General Information

# 1.1 Purpose

The DC Child Care Stabilization Targeted Grant provides funds, on an as-needed basis, to child development facilities that have experienced unique financial harm as a result of the coronavirus (COVID-19) pandemic and have additional financial needs that are not addressed by their DC Child Care Stabilization Grant awards or by other grant programs of the Office of the State Superintendent of Education (OSSE).

To disburse DC Child Care Stabilization Grant funds, OSSE partnered with the Washington Area Community Investment Fund (Wacif), the Low Income Investment Fund (LIIF), Hurley & Associates and the United Planning Organization (UPO). These organizations act as grantees of the DC Child Care Stabilization Grant and disburse grant funds to eligible child development facilities (or subgrantees). In 2022, Wacif, Hurley & Associates and UPO distributed stabilization grant funds to nearly all licensed child development facilities, on a formula basis, to help offset the impact of revenue losses and increased costs experienced by nearly all child development programs during the COVID-19 pandemic and recovery. Following conclusion of these distributions, LIIF is distributing additional funds, on an as-needed basis, through the DC Child Care Stabilization Targeted Grant.

The purpose of the DC Child Care Stabilization Targeted Grant is to ensure that child development facilities in the District can continue to provide services to children and families and achieve financial sustainability through and beyond recovery from the COVID-19 pandemic.

## 1.2 Objectives

The objectives for this grant are as follows:

1. Provide financial assistance to the District's child care providers during the COVID-19 recovery phase.
2. Assistance will be in support of funding cost(s) that represent one-time investments that will support long-term sustainability.

## 1.3 Eligibility

1. Eligible providers must meet federal and local eligibility criteria.
2. Eligible providers must be open and providing child care services as of the date of application for a grant from the DC Child Care Stabilization Targeted Grant program and must remain open and in operation through the duration of the grant period.
3. Eligible providers must have received a prior child care stabilization grant from LIIF, Wacif, Hurley & Associates or UPO.
4. Eligible providers cannot receive funds for the same site from OSSE’s other active grant programs being administered by LIIF (e.g., Access to Quality Child Care or Back-to-Work Child Care).

## 1.4 Allowable Uses of Funding

Child care providers may use grant funds to cover a range of expenses. This grant will provide funds for **one-time** expenses related to the following areas, such as:

1. One-time personnel costs, including bonuses to staff in roles not eligible for the Early Childhood Educator Pay Equity Fund in FY22 (see additional information below)
2. One-time rent/mortgage/utilities: May include back rent or mortgage payments
3. Insurance
4. Facility maintenance and improvements: Minor renovations and repairs to existing facility
5. Goods and services necessary to maintain or resume child care services
6. Funds may be used to cover the costs for expenses incurred after Jan. 31, 2020

Additional considerations for facilities using DC Child Care Stabilization Targeted Grant funds for staff bonuses:

Bonuses for staff who were not eligible for a supplemental payment distribution from the Early Childhood Educator Pay Equity Fund in fiscal year 2022 (FY22) will be an allowable expense to be paid as either a reimbursement to the child care facility or a first-time payment to eligible staff.

Child development facilities that receive DC Child Care Stabilization Targeted Stabilization Grant funds for purposes of providing bonuses to staff are responsible for ensuring that any staff who receive bonuses meet the same eligibility criteria (other than Staff Type) that applied to FY22 Early Childhood Educator Pay Equity Fund supplemental payments. Eligible staff must:

* 1. Be currently employed by the licensed child care facility stated on the application
  2. Have an employment start date at the facility on or before May 16, 2022
  3. Have not received a supplemental payment from the Early Childhood Educator Pay Equity fund in FY22
  4. Be employed in an eligible role:
     1. Director
     2. Assistant Director (Note: Must be an assistant director who did not also receive funds as a teacher in FY22)
     3. Support Staff - i.e. cooks, full-time aides and administrative assistants (Note: Support staff receiving bonuses must be in the Division of Early Learning Licensing Tool {DELLT}; funds may not be used for bonuses for staff not in DELLT)
  5. DC Child Care Stabilization Targeted Grants may include funds of up to the following amount per eligible full-time staff member for which the facility proposes to provide a bonus:
     1. Director - $14,000
     2. Assistant Director - $14,000
     3. Support Staff - $5,000

All funds received to provide bonuses to staff must be used for this purpose. Any funds used to provide bonuses for ineligible staff will be considered an unallowed use of funds and must be returned. Grantees who are found to have knowingly used funds to provide bonuses to ineligible individuals may be subject to investigation and potential additional actions.

As employers, child development facilities that receive DC Child Care Stabilization Targeted Grant funds for purposes of providing bonuses to staff are responsible for ensuring compliance with all applicable laws and requirements governing employer payment of bonuses to staff, including DC and federal employment law, appropriately reporting and paying applicable employer taxes on, and employee tax withholding on any bonus payments made to staff.

Child development facilities that wish to use DC Child Care Stabilization Targeted Grant funds for purposes of providing bonuses to staff are strongly encouraged to consult with appropriate human resources and tax professionals and/or an employment attorney to ensure that they are following all applicable legal and tax requirements.

## 1.5 Funding Availability

LIIF will make awards based on projected need, supported by evidence included in the application and in alignment with stated allowable uses of funding.

## 1.6 Application Requirements

Applicants must complete an application through LIIF’s online grant application platform and submit it along with the required attachments. Applications must be received by Aug. 16, 2023 at 11:59 p.m. LIIF may request additional information as needed. All prospective applicants will receive technical assistance as needed to complete the grant application. An incomplete application will not be considered for funding. If assistance is needed in filling out the application, please contact [childcareDC@liifund.org](mailto:childcareDC@liifund.org), and a program officer will respond.

Applicants will be required to submit the following information:

1. Current operating budget
2. Budget narrative explaining how sub-grant funds will be used or how funds were used for expenses previously incurred
3. Grant Budget/Evidence of Cost
4. Funds requested to be used for minor renovation and repair over $5,000 will require a minimum of two bids
5. Annual Audit, current unaudited financials, or most recent tax return (Schedule C)
6. Proof of 501(c)(3) or 501(c)(5) (if applicable)
7. Copy of current license of your existing site

## 1.7 If a Sub-Grant is Awarded

Awards to grantees will be made by Sept. 30, 2023. Grantees must expend all funds received no later than Dec. 31, 2023. Monitoring activities carried out by LIIF include, but are not limited to:

* Regular status check-ins and ongoing technical assistance. LIIF staff may conduct a site visit to monitor the sub-grantee’s progress.
* Funds are to be spent within 120 days of grant award, and not later than Dec. 31, 2023. Sub-grantees must submit a Use of Funds Report to LIIF detailing how the funds were spent against budgeted awards, including receipts or paid invoices for all expenditures.

**Incomplete applications will not be considered for funding. If you have received prior grant funding from LIIF, you may be required to complete any outstanding monitoring reports before you can be considered for funding**. **LIIF staff will contact you if this applies to you.**

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