

Child Care Grants

Purpose: To increase the capacity of child care in the State, through expansion or creation of child care facilities.

Allocation: \$2.25 million

Application Term: June 1, 2015 through July 15, 2015.

Match Requirement: One dollar of matching funds for every three dollars of grant funds.

Award Range: \$20,000 – \$187,500

Award Date: Estimated award date is August 17. If any funding remains the Department of Commerce will schedule a second submission round in the Fall of 2015.

Eligible Organizations:

- Existing licensed profit, non-profit and public child care facilities are eligible for this program. Facilities must operate full time and must increase capacity through grant participation.
- New programs that will be licensed upon completion of the project are also eligible.
- In-home daycare providers will only be considered for funding if the proposal moves the business operations outside of the provider's primary residence and increases capacity of operations.

Qualifications:

- Projects must increase the full time capacity of the child care facility.
- Applications from operators in the process of licensing must include a letter of support from a Regional Childcare Supervisor verifying that the applicant will be eligible for licensure upon project completion.
- Facilities that are not licensed at time of application must include verification of licensure with reimbursement request.
- Projects completed prior to July 1, 2015 are not eligible to apply. All work must be completed between July 1, 2015 and May 31, 2017.
- Priority will be given to applications increasing infant and toddler capacity.
- Priority will be given to communities with the greatest need.

Grant Scope:

- Eligible projects include the purchase and/or renovation of real estate, furniture, fixtures, and equipment.
- Operating expenses are not eligible under this program.
- This is a one-time grant and the State will not be responsible for any on-going costs associated with the recipient's project.
- Acceptance of awarded funds may be considered taxable income. Applicants should consult their accountant or tax preparer before submitting an application.

Application Requirements:

- Applications must include a business plan that includes the following items.

- Timeline for project
- Start-up (if applicable) and operational budgets
- Information relating to ensuring adequate staffing including the number and qualifications of individuals
- Number and age mix of children to be served
- Hours of operation
- Facility floor plan
- Letters of commitment from any contractors in which construction or major renovation is taking place
- Letters of commitment from any other funding sources

Child Care Aware of ND and Small Business Development Centers have resources and technical assistance available to assist in developing a business plan. For more information visit: <http://www.ndchildcare.org> and www.ndsbd.org/services/

Guidelines:

- Proposals that meet the qualifications and receive the highest application scores will be funded. In the event of a tied score, those applications received first will be awarded first. Due to the limited availability of funds, it is likely that not all facilities that meet the minimum qualifications will receive an award.
- Scoring of applications will be conducted by staff within Commerce's Division of Community Services and the Department of Human Services.
- If the project is not progressing in accordance with the proposed timeline provided in the application, the award may be cancelled.
- Funds will be provided on a reimbursement basis with appropriate supporting documentation. Final reimbursement requests must be submitted by May 31, 2017.
- Grant Recipients must continue to provide child care services at the increased capacity level for a minimum of 5 years after receiving funds, or repay grant funds. Repayment will be based on a pro-rated percentage. Twenty percent will be forgiven for each full year of operation, starting on the date the award was signed and executed. Exceptions to this repayment requirement will be considered on a case by case basis and will be at the sole discretion of the Department of Commerce.
- Grant Recipients must complete a [Business Incentive Agreement](#) and report for a minimum of two years following receipt of funds, per NDCC 54-60.1.
- Grant Recipients must report enrollment figures once per year for five years to the Department of Commerce.
- Taxpayer Identification Number and Certification must be provided upon receipt of an award or prior to the opening of a new facility.
- Proof of insurance must be provided upon receipt of an award or prior to the opening of a new facility.
- Facilities will be required to provide a letter from the DHS Early Childhood Service Regional Supervisor confirming that the facility has a strong history of compliance.
 - Facilities with a history of violations and/or corrective actions may still be considered. In order to be considered facilities will need to provide:
 - A 3 year "Early Childhood Service History" from the Department of Human Services Early Childhood Service Regional Supervisor.

- Provide an explanation of changes that have been made to correct the violations and a letter from the DHS Early Childhood Service Regional Supervisor confirming that corrective action has taken place.
 - The acceptability of the documentation will be at the sole discretion of Commerce in consultation with DHS Early Childhood Service Regional Supervisor for that county.
- In the case of a new facility, the operator must be in compliance with the rules and regulations as set forth by DHS.

Application Scoring Process – Total of 450 Points

- **Community Need** –Up to 100 points awarded based on the percent to which supply meets potential demand for each community. This information can be found at the Child Care Aware of ND website: <http://www.ndchildcare.org/data-pub/county.html>. One point will be awarded for every 1% below potential demand the count is currently at. For example, a community in which the percent to which supply meets potential demand is 38% would be considered 62% deficient and would therefore, receive 62 points.
- **Number of slots created**- Up to 150 points will be awarded based on the extent to which capacity will be increased through the work completed in the project proposal. One point will be awarded for every new full-time slot created. Part time slots should be counted proportionally (one half-day slot would count as .5 of a slot). Any projects that create more than 150 slots will still receive the maximum of 150 points.
- **Business Plan Components:**
 - Timeline proposed (50 Points) – This should show a reasonable expectation for work to be completed within the grant period. Benchmarks should be noted and deadlines must be adhered to. All work and reimbursement activities need to occur in the time period from July 1, 2015 until the final reimbursement request deadline, May 31, 2017.
 - Staffing Plan (50 Points) – This sections should reflect thoughtful and constructive ways in which the facility will address staff acquisition and retention in an industry market dominated low unemployment, fierce competition for qualified workers, and high turnover numbers.
 - Budget and Finance Statements (50 Points)– This section should show the financial viability of the plan and include information about all project funding sources.
 - Return on Investment (50 points) – The return on investment will be calculated with the following formula: Total grant award amount/number of new slots created. This figure represents the ratio of grant dollars used for the creation of each individual new slot. Those applications with the following figures will receive the corresponding points:
 - Less than \$1000 per slot – 50 Points
 - \$1001-\$2000 per slot – 40 Points
 - \$2001-\$3000 per slot – 30 Points
 - \$3001-\$4000 per slot – 20 Points
 - \$4001-\$5000 per slot – 10 Points
 - Greater than \$5000 per slot – 0 Points

Please contact Rikki Roehrich at (701) 328-2687 with any additional questions.