

ARPA Child Care
Stabilization Grants
Provider FAQs

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1.0 Application

1.1 Do providers need to have all children entered into PELICAN?

No. Providers interested in applying for a stabilization grant do not need to enter any child/enrollment data into PELICAN.

1.2 Will the attestation form be released?

Yes. A copy of the attestation available on the [ARPA Sustainability Grants Page](#) on the Pennsylvania Key website. Providers are encouraged to review the attestation to understand what they are agreeing to before applying.

1.3 Do providers only apply one time or every month?

Eligible providers only apply one time. The full grant amount will be divided and distributed into six monthly installments. Providers receiving funds will report one time after the end of the payments.

1.4 If a provider delays the application while continuing to increase enrollments, will the amount of funds still be available?

All applications are contingent on available funding. If a provider believes they may have an increase in enrollments soon, it is their discretion to wait to apply for a grant.

1.5 The later a provider applies the less funds they may receive?

No. The level of funding a provider receives is not affected by the date they choose to apply. The total grant amount is based on 1) Current enrollment 2) infant/toddler care 3) Keystone STAR designation 4) Reduced Child Care Works (CCW) enrollments 5) Geographic location of a provider.

A provider may choose to delay application if they are in the process of achieving a higher STARS rating or know that they are enrolling more children in the near future. Grant payment amounts were determined to be inclusive of all eligible providers; however, the grant opportunity is limited to the available funding.

A detailed description of the grant calculation logic can be found in [the American Rescue Plan Act Stabilization Subgrants for Pennsylvania Child Care Providers Summary Report](#).

1.6 When will the application be available to start the process?

The application is scheduled to be available in the [PD Registry](#) prior to the end of September 2021. A Special Announcement will be released via the [PA Early Ed News](#) and [Certification](#) listservs.

1.7 Can I use enrollment from last month as opposed to this month since my enrollment was higher last month before children left for Kindergarten?

Providers are required to report their current enrollments on the day they submit their application. Providers should maintain documentation that supports their enrollment in the event they are selected for monitoring.

2.0 Keystone STARS

2.1 Are grants tied to Keystone STARS?

An eligible provider's grant amount takes into consideration their Keystone STAR Designation. For STAR 2, 3 or 4, there is additional funding included in the calculation. Providers can find more details on the grant calculation in [the American Rescue Plan Act Stabilization Subgrants for Pennsylvania Child Care Providers Summary Report](#).

2.2 How dependent is a provider’s Keystone STAR designation on the total grant calculation?

The Keystone STAR designation of an eligible provider is considered an add-on amount for the total grant. A provider’s current enrollment has more of an impact on the total grant amount.

2.3 If I am increasing my Keystone STARS designation (i.e. Moving from a STAR 2 to a STAR 3), would that behoove me to hold back on applying?

Yes. Waiting to apply until your new Keystone STAR designation is finalized may be beneficial. Other factors that change day to day and will impact the grant amount is 1) Current enrollment and 2) Availability of funding.

2.4 If Keystones STAR designation influences the grant amount, will education degrees be considered?

No, degrees attained by program staff, program directors, and owners are not part of the grant calculation.

3.0 Monthly Expenses

3.1 If the grant amount is not based upon our current expenses, why do providers have to report our monthly operating expenses?

To comply with the American Rescue Plan Act (ARPA), states must have a process in place for providers to affirm and state their operating expense.

3.2 Monthly average expense - over how many months should the average be calculated?

Eligible providers have wide discretion on how to report their monthly expenses. A 12-month average, 6-month average, or simply the most recent total monthly expense are all acceptable. The question that will be asked on the application is as follows:

“What are your total monthly operating expenses?”

3.3 Can providers go back to the beginning of the year to provide expenses spent?

Yes. However, OCDEL is asking for total monthly operating expenses. If a provider chooses to report multiple months of expenses, the total should be divided by the number of months included and an average should be reported.

3.4 When estimating expenses, if a provider is looking to hire additional staff, should they be included in the estimate?

Eligible providers should only include prior monthly expenses that have been accrued on the day the grant application is submitted.

3.5 In what form would a provider show documentation of average expenses? (i.e., a complete Excel spreadsheet from an accountant)

Eligible providers are simply asked, in the application, to report their monthly operating expenses. No supporting documentation is required.

3.6 Are the expenses based on an accrual basis or cash? For example, if the invoice is dated for June, but not paid till July, that would be considered an accrual basis?

Eligible providers are permitted to report their monthly expenses on an accrual basis.

3.7 Should providers go back to when they had full enrollment in order to calculate monthly expenses?

Eligible providers have wide discretion on how to report their monthly expenses. A 12-month average, 6-month average, or simply the most recent total monthly expense are all acceptable. Eligible providers should not go farther back than a 12-month average monthly expense.

3.8 For family providers, does personal pay qualify as a monthly expense?

Yes. Personal pay should be considered when reporting monthly expenses.

3.9 What if a provider is spending Targeted EIDL Advance Grant funds right now for expenses? Should the provider wait until I'm done with that and then apply?

OCDEL is not aware of any restrictions for eligible providers receiving grants from the U.S. Small Business Administration (SBA) and also wish to apply for a stabilization grant. Providers receiving funds from the SBA are encouraged to reach out to the agency to determine if any restrictions apply.

3.10 Do eligible providers factor the hazard pay into our monthly budget?

Hazard pay is considered an expense. If a provider is calculating expenses in a month where they offered hazard pay, those amounts should be included in the total expense for that month.

4.0 Multiple Funding Streams

4.1 What if a provider has funded programs that pay for some expenses, are those expenses allowable? It would be hard to provide monthly expenses only for the 2-year-old program. Some providers expenses are based on all classes.

When completing the grant application, OCDEL is only asking eligible providers to report, to the extent possible, their total monthly operating expenses related to child care at the child care program level. A breakdown of monthly program expenses for each individual classroom is not necessary. In the event providers offer Head Start/HSSAP, PA Pre-K Counts, or PHL PreK, to the extent possible, expenses associated with those programs should not be included. This is a question that is required by ARPA for inclusion in the application, but it is not used to determine the amount of the grant.

4.2 If a provider houses a licensed PA Pre-K Counts program, should the PA Pre-K Counts enrollments be reflected in the current enrollment reported in the grant application?

Pre-K, PHL Pre-K or Head Start enrollments should not be counted for the portion of the day these programs support them. However, if the child receives wrap-around child care on the date of application, they should be included. For example, if a child is enrolled in a PA Pre-K Counts program at a provider, and also receives wrap-around child care (either through Child Care Works (CCW) or private pay) with the provider, the child should be counted as one enrollment. The child represents one enrollment for the purposes of reporting current enrollments in the grant application. If a child is enrolled in PA Pre-K Counts but does not receive wrap around care, they should not be included in the current enrollment count for the grant application.

4.3 Do providers include children served in the Infant/Toddler Contracted Slots program as part of the current enrollment?

No.

4.4 What if providers currently have PA Pre-K Counts enrollments that also access full-time care during the summer?

Providers can only include current enrollments at the time the application is submitted and must exclude PA Pre-K Counts enrollments (PA Pre-K Counts enrollments with wrap-around child care should be included) and Infant/Toddler Contracted Slot enrollments.

4.5 What if a provider has PHLpreK enrollments? Should they be included in the current enrollment count for the grant application?

PHLpreK enrollments should not be included in the current enrollment count for the grant application unless they are receiving wrap-around child care.

4.6 What if a provider has Head Start enrollments? Should they be included in the current enrollment count for the grant application?

Head Start enrollments should not be included in the current enrollment count for the grant application unless they are receiving wrap-around child care.

4.7 What is the rationale behind “counting” private pay enrollments, but not “counting” enrollments funded via PA Pre-K Counts or Head Start?

Stabilization subgrant funding is intended to help the child care sector, not public prekindergarten programs, Head Start, or Early Head Start, which typically operate under different program rules and funding structures than child care.

4.8 Will there be a tool for eligible providers to see the award amount according to enrollment so that they can make a decision to apply immediately or wait for enrollment to increase?

Yes. OCDEL will provide a public Microsoft Excel workbook template that providers can use to conduct enrollment scenarios. Instructions will accompany the template to give guidance to providers.

5.0 Multi-site Providers

5.1 If a provider is a part of a larger agency, example YMCA with several locations, will the CFO or CEO need to complete the application, or can the Director of the child care program do this?

An application will need to be completed for each eligible location. Organizations are able to decide who they want to complete the application. Regardless of the position, the person applying for the grant will need to have a PD Registry profile and have administrative access to the eligible program in the PD Registry.

5.2 If a provider operated several child care locations under one legal entity, do I need to complete an application for each location?

Yes. The grants will be specific to each individual location.

5.3 Are the monthly expenses that need to be reported in the application location specific? Some providers are one legal entity with four locations.

A grant application must be completed for each eligible program location. As a result, monthly expenses need to be reported for each eligible program location.

5.4 Some providers track expenses by each location. However, some providers track expenses for administrative services for all locations combined. Should our administrative service expenses be allocated to our different centers as well?

Yes. A grant application must be completed for each eligible program location. As a result, monthly expenses need to be reported for each eligible program location. If a provider combines expenses for several locations, those expenses will need to be disaggregated by program location.

5.5 Will OCDEL issue a list of expenses that will be considered?

No. All expenses for a child care program should be reported in the grant application by an eligible provider.

5.6 Does the money need to be spent only at the site as awarded?

Yes, For the purposes of the ARP Act child care stabilization program, operating expenses are defined as the categories described in [CCDF-ACF-IM-2021-02](#) beginning on page 18. For multisite legal entities, funds should be used to support personnel, facilities, materials, goods equipment, supplies, and mental health services at the specific child care location level. Regardless of how the funds may be combined, each applying location will be responsible for reporting on the use of funds at the location level.

6.0 Certification Related Questions

6.1 A provider is a Keystone STAR 4 licensed center and relocated in July 2021. The new license does not meet the date requirement mentioned. Is the provider eligible?

Yes. Eligible providers that moved to a new location after March 11, 2021, and were assigned a new MPI number are still eligible for a grant. If this applies, the eligible provider should still claim their new location in the PD Registry. If a provider cannot access the grant application in the PD Registry under their new MPI number, they should immediately contact their ELRC.

6.2 An eligible provider relocated a center. It closed the end of June 2021 and reopened July 2021, but with a new MPI number. Is the new location eligible for a grant?

Yes. Since the original location received a provisional or regular certificate of operation on or before March 11, 2021, the new location would be eligible for a grant. Providers are not automatically deemed ineligible because they were assigned a new MPI number.

6.3 What if a provider's certificate of operation is not up to date because of delays at OCDEL?

Providers that meet all other eligibility criteria but have had a delay in receiving an updated certificate of compliance from OCDEL are eligible for a grant.

6.4 If a provider was open for years and this month a new legal entity is taking over the currently operating business (same location, employees, families), can the new business owner apply?

No. To adhere to state statute and federal guidance, new legal entities that bought a child care business and received their first provisional or regular certificate of operation after March 11, 2021, are not eligible for a grant.

6.5 A provider is converting from a Family Child Care Home (FCCH) to a Child Care Center (CCC). How long does the provider need to stay open as a FCCH?

An eligible program converting to a different provider type should consider several factors when deciding when to apply for a grant. A program can apply immediately for a grant under their current provider type designation (i.e. FCCH); however, if they convert to a new provider type, their monthly

installments will still be based on their provider type when they submitted their application. Consider the following two scenarios:

Scenario 1

A FCCH is converting to CCC. The program is still expecting to have six total enrollments when the conversion takes place, but may look to increase enrollments in six months. The provider is expecting to maintain its Keystone STAR designation when converting and the same age levels will be served. In this example, a provider would likely see no change in their total grant amount and might want to consider applying soon.

Scenario 2

A FCCH is converting to a CCC. The program is expecting enrollments to increase significantly within two weeks when the conversion takes place. Also, the Keystone STAR designation is expected to increase within four weeks of the conversion taking place. In this example, a provider would likely see a significant increase in their total grant amount and should wait until enrollments increase and their Keystone STAR designation is changed.

7.0 Eligibility

7.1 If you remained open but were waiting on an inspection renewal (operating with an expired license) are you eligible?

If all other eligibility criteria are met, yes.

7.2 What if you opened a new location in April, would that location be eligible?

No. New locations that opened after March 11, 2021 are not eligible for a grant. An exception would be applied for eligible providers that simply moved locations. In other words, an eligible provider that permanently closed one location and opened a new location.

7.3 If your application is denied, is there an opportunity to re-apply?

If an application is denied, there may be an opportunity to re-apply depending on the reason for denial.

7.4 What qualifies a provider for a grant?

Eligibility criteria are as follows for a certified child care provider:

- Issued a provisional or regular Certificate of Compliance on or before March 11, 2021, and are currently open OR certified providers that were issued a provisional or regular Certificate of Compliance on or before March 11, 2021, and plan to reopen by Sept. 30, 2021 (if closed temporarily due to the COVID-19 public health emergency).

AND

- Are not in “revocation/refuse to renew” status by OCDEL’s Bureau of Certification Services.

AND

- Have not had their CCW provider service agreement revoked (since the inception of the ELRCs) due to a conviction of fraud or misappropriation or are currently under investigation.

NOTE: After OCDEL released the initial eligibility criteria, an additional element for eligibility was determined. On September 15, 2021 OCDEL issued C-21-08. Providers who refuse to follow the Acting Secretary of Health's Order for Facemasks, cannot apply for a Stabilization Grant until such time as they comply with the Order.

7.5 What are reasons for an eligible provider to apply?

In response to the urgent need to stabilize the child care sector, these grants represent an important opportunity for eligible providers to gain additional financial support for their programs as well as meet the needs of the communities and families they serve. In cases where the provider does not feel they need stabilization funding, they could apply for the grant and use the funds to reduce or eliminate all or a portion of family tuition for the availability of funding.

7.6 If a provider makes too much money, are they still eligible for a grant?

No consideration is given to the revenue of an eligible provider receives. As long as all eligibility criteria are met, a provider can apply for a grant.

7.7 What are the risks of delaying application? Could funding run out?

The only risk of delaying an application is that funds could run out. Providers may consider delaying an application if they 1) expect an increase in enrollments soon 2) expect to increase their Keystone STAR designation soon. An eligible provider's current enrollments is the single largest factor in determining the total grant amount. OCDEL has over \$728 million in funding available for stabilization grants.

7.8 If a provider furloughed staff from 3/2021 until 8/2021, are they still eligible for a grant?

Assuming all other eligibility criteria have been met, yes, a provider would be eligible. However, providers that accept a grant must agree to not furlough any staff that were employed on the date an application was submitted until the 6-month grant period ends.

7.9 Is there a timeline for remaining open after receiving a grant?

No. However, providers that temporarily or permanently close prior to receiving all six-monthly installments will have their total grant amount adjusted accordingly. Any provider considering closure after receiving their initial payment should contact the ELRC.

7.10 What happens with the funding if a provider would have to temporarily close due to COVID outbreak?

If the provider has a reopening date planned, there would be no change in receiving the monthly installments. If the provider temporarily closes with no reopening date planned or permanently closes, they would be responsible for contacting their certification representative and their grant award may be adjusted accordingly.

7.11 If a provider received a targeted EIDL advance grant and a PPP loan, are they still eligible to apply for this grant as well?

Yes. OCDEL is not aware of any restrictions for eligible providers that receive EIDL or PPP funding. Child care stabilization funds should be used for expenses NOT covered by EIDL or PPP.

7.12 How can a single-family provider accept this grant if they already received a PPP loan and a targeted advance grant? Would there be room for another grant? The other two would already had been used for payroll, utilities, mortgage etc.

Providers are encouraged to learn about how each stream of funding can be utilized and whether there are expenses that have not been, or will not be, paid for by other grants. If such expenses exist, providers may be able to assign this grant to them (see question 15.3 for details on eligible expenses). Providers are not permitted to attribute stabilization grant funds to expenses that have already been assigned to other grants.

Please keep in mind, if an eligible provider cannot find expenses to attribute to this grant, the option remains to give children/families free or reduced tuition. Providers should prioritize Child Care Works families and those families struggling to make tuition payments.

7.13 If an eligible provider’s license capacity has just recently increased and they can fill the seats, do they use our new license capacity?

OCDEL is not asking providers to report their licensed capacity. Their current licensed capacity should already display on the application in the PD Registry. Providers are asked to report on the number of current enrollments at their program. Each current enrollment, regardless of part-time or full-time status, should be counted as “1”.

Example

Provider ABC has five children enrolled Monday, Wednesday, and Friday for eight hours each day, five additional children enrolled Tuesday and Thursday for eight hours each day, and five more children enrolled Monday – Friday for three hours each day. When applying for the grant, Provider ABC should report 15 children currently enrolled.

7.14 Do you have to have a Keystone STAR designation to be eligible or just a DHS certificate?

Assuming all other eligibility criteria have been met, a provider only needs to have a provisional or regular certificate of operation issued to them on or before March 11, 2021. Providers that have a provisional or regular certificate of operation are automatically given a STAR 1 designation. In rare situations where a STAR designation is not included, the provider will be assumed to have a STAR 1 designation.

7.15 Does a provider have to provide infant/toddler care to be eligible?

No. A provider that meets all eligibility criteria does not need to be providing care for the infant/toddler age levels. However, providers serving infants/toddlers should indicate this in their application as they will receive an add-on.

7.16 How does Announcement C-21-08 impact grant eligibility?

As part of the application, providers must attest to, "The provider will, when open and providing services, implement policies in line with guidance and orders from corresponding state, territorial, tribal, and local authorities and, to the greatest extent possible, implement policies in line with guidance from the Centers for Disease Control and Prevention (CDC)." (Available at www.cdc.gov/coronavirus/2019-ncov/community/schools-childcare/guidance-for-childcare.html) Providers who refuse to follow the [Acting Secretary of Health's Order for Facemasks](#), cannot apply for a Stabilization Grant until such time as they comply with the Order.

If a provider is approved to receive a Stabilization Grant and OCDEL Bureau of Certification cites the provider for non-compliance with [Announcement C-21-08](#) and the provider fails to submit an acceptable Plan of Correction (POC), Stabilization Grant payments to the provider will cease.

8.0 Enrollment Related

8.1 If a provider has a certificate of operation but only have PA Pre-K Counts enrollments, are they still eligible?

Assuming all other eligibility criteria have been met, providers with only PS Pre-K Counts enrollments may be eligible for a grant. In order for the PA Pre-K Counts enrollment to be used for the application, the child must be receiving wraparound child care before and/or after PA Pre-K Counts. If children are only enrolled during the Pre-K Counts portion of the day and then go home, they cannot be counted.

8.2 If a provider’s enrollment is low, would it be wise to delay applying for the grant until enrollment increases?

Providers that are expecting their enrollments to increase soon would benefit from waiting to apply. Since the calculated grant amount is largely impacted by the number of current enrollments, a provider could see a significant increase in grant dollars if more children are enrolled when they apply for a grant. Each eligible provider will need to weigh the advantages and disadvantages to delaying a grant application.

8.3 Does an eligible provider include both private pay families and CCW families for the total enrollment that is reported in the grant application?

Yes. Providers should report all private pay and CCW enrollments in their application. Providers are asked to report on the number of current enrollments at their program. Each current enrollment, regardless of part-time or full-time status, should be counted as “1”.

See the Example in question 7.13.

8.4 What if a provider’s enrollment just dropped dramatically due to the mask mandate?

Providers are required to report the number of current enrollments on the day the application is submitted. Providers may choose to make application when their enrollments increase.

8.5 When can eligible providers expect to see the funds after an application is submitted?

Once an application is submitted in the PD Registry, the ELRC has 30 calendar days from the submission date to approve or deny the application. Once the application is approved, the goal is to release the first monthly installment to the eligible provider within the 30 day window.

8.6 Some providers have wait list due to the inability to hire staff. Should providers include wait list children in their enrollment count?

No. Providers should only include current enrollments at the time of application. Providers should weigh the advantages and disadvantages to delaying the submission of an application in the hope of increasing enrollments in the near future.

8.7 What if enrollment goes up after a provider applies for a grant?

The grant amount is determined by the number of enrollments an eligible provider reports when the grant application is submitted. No adjustments occur after an application has been submitted. Providers should weigh the advantages and disadvantages to delaying the submission of an application in the hope of increasing enrollments in the near future.

8.8 What if a provider is open but has zero enrollments, can they apply?

If an eligible provider has no current enrollments, and did not meet the requirements for the CCW decreased enrollments add-on, the calculated grant amount would be \$0. Providers in this situation should delay applying for a grant until enrollments occur.

8.9 If a provider has a few new enrollments starting in a few weeks. Should they be included as part of the enrollment?

No, an eligible provider must submit the enrollment as of the date of application. Providers will need to weigh the advantages and disadvantages in delaying a grant application and make the best choice for their program.

8.10 If a provider has been operating at half capacity or less, are they eligible for a grant?

Yes. Assuming all eligibility criteria are met, they would be eligible for a grant. Operational capacity is not a consideration for eligible providers.

8.11 Is the application a one-time only process?

Yes. An eligible provider can only have one application approved. The final approved grant amount will be distributed in six monthly installments. Grant amounts will not be updated based on changes experienced by a provider (increased/decreased enrollments, change in Keystone STAR designation, etc.) after the submission of the application.

8.12 If an eligible provider adds enrollments at a future date while the application is still open, can a new grant application for the additional amount be submitted?

No. Once a provider submits an application and it is approved by the ELRC, a new grant application cannot be submitted to account for additional enrollments or an increase in a Keystone STAR designation.

8.13 Can a provider's own children be considered in the current enrollment count because they are considered when meeting certification ratios and the license capacity limit?

If an eligible provider's children are counted when adhering to child/staff ratios and the licensed capacity limit, they should be counted for current enrollment.

8.14 Is a grant application based on a provider's current enrollment or full enrollment capacity?

The grant application will be calculated based on the smaller of the current enrollment or licensed capacity. Eligible providers will enter current child enrollment. Each current enrollment, regardless of part-time or full-time status, should be counted as "1". See Example in 7.13. In the event that the total enrollment exceeds licensed capacity, licensed capacity will be used in the calculation.

8.15 What if an eligible provider is certified for a 2-year-old program and not a pre-k program. Would I put my full enrollment on the application or just the number of students in our 2-year-old program?

Eligible providers should only report the number of current enrollments for the portion of their programs certified as child care.

8.16 Are eligible providers to report full-time equivalent (FTE) enrollments?

No. Each current enrollment, regardless of part-time or full-time status, should be counted as "1". See the Example in 7.13.

8.17 With grant amounts be driven by current enrollments, what are providers supposed to do given the labor shortages that are creating wait lists?

Providers should weigh the advantages and disadvantages to delaying the submission of an application in the hope of increasing enrollments in the near future. Grant funds can best be used to meet the needs of the program and community. Eligible uses of the grant include sign-on bonuses for new staff, salary increases, and other personnel incentives.

8.18 Is the grant for those providers with current enrollments only and not licensed capacity?

The grant application will be calculated based on the smaller of the current enrollment or licensed capacity. All providers that meet the eligibility requirements are able to apply. However, if a provider has no enrollments, and does not meet the requirements for the CCW reduced enrollment add-on, their grant calculation will be \$0. Eligible providers with no enrollments are encouraged to delay applying for a grant until children are being served.

8.19 Does this grant assist if you are trying to obtain at an enrollment level you had prior to COVID-19, which seems to be difficult?

The intent of ARPA Child Care Stabilization grants is to support the stability of the child care sector during and after the COVID-19 public health emergency. Eligible uses of the funds include sign-on bonuses, salary increases, and other personnel benefits for eligible providers trying to obtain their pre-COVID enrollment level.

8.20 If a provider has infant/toddler enrollments in March 2022, can they be counted towards number of enrollments at the date of application?

Eligible providers should only include current enrollments in the application. However, if a provider is currently serving infant/toddler, they should answer ‘yes’ to the following question in the grant application. These providers are eligible for the infant/toddler add-on. If they are no longer serving infants/toddlers, they should answer ‘no’ in the application.

Do you currently serve at least one child under 3 years of age (infant/toddler)?

8.21 What about children who come only on remote days or closed school days, does a provider count them as enrolled.

Yes. Each current enrollment, regardless of part-time or full-time status, should be counted as “1”.

8.22 If a provider’s licensed capacity is more than their current enrollment, should they use the licensed capacity on their certificate of compliance instead of current enrollment?

No. Providers should report their current enrollment. The grant application will be calculated based on the smaller of the current enrollment or licensed capacity.

8.23 Should CCW children (i.e. subsidy enrollments) be included in a provider’s reported current enrollment?

Yes. An eligible provider should include all private pay enrollments and CCW enrollments in the application.

8.24 If a provider has a licensed capacity of 119 but currently has 38 enrollments, what is the grant amount based on?

The grant application will be calculated based on the smaller of the current enrollment or licensed capacity number. In the question, the calculation will be based on 38. Other factors impacting the grant amount include Keystone STAR designation, infant/toddler care, reduced CCW enrollments, and location.

8.25 Can a child be counted towards enrollment if they only come a few times a month?

Yes. Each current enrollment, regardless of part-time or full-time status, should be counted as “1”. See the example in 7.13.

8.26 Are eligible providers able to include after-school children when reporting current enrollment in their grant application?

Yes.

8.27 Due to part-time enrollments, if the total number of current enrollments is more than the licensed capacity on the Certificate of Compliance is that ok to report in the grant application?

Yes. Each current enrollment, regardless of part-time or full-time status, should be counted as “1”. The grant application will be calculated based on the smaller of the current enrollment or licensed capacity number.

8.28 If a provider offers part-time and full-time care and total enrollment exceeds licensed capacity will that raise a flag to OCDEL that child-to-staff ratios are not being followed?

No. OCDEL understands that some providers may be providing current enrollment counts that exceed licensed capacity.

8.29 If the grant calculation is capped at licensed capacity, what if a provider has more enrollment than licensed capacity because of multiple shifts?

Providers should still report their current enrollments in the application. The grant calculation caps the total number of enrollments for an eligible provider at either 1) what is reported in the application plus the CCW reduced enrollment add-on or 2) the licensed capacity, whichever is less. See the following examples for more detail:

Examples

- A Family Child Care Home (FCCH) has a licensed capacity of six. They currently have 14 part-time enrollments. The FCCH should report 14 total current enrollments, and the grant calculation will include six full-time enrollments.
- A Child Care Center (CCC) has a licensed capacity of 75. They currently have 50 enrollments (both part-time and full-time) and will receive 10 additional enrollments from the CCW reduced enrollment add-on. The CCC should report 50 current enrollments in the application. The total number of enrollments used in the grant calculation for the CCC is 60 full-time enrollments ($50 + 10 = 60$).
- A Group Child Care Home (GCCH) has a licensed capacity of 12. They currently have 10 enrollments (both part-time and full-time) and will receive 3 additional enrollments from the CCW reduced enrollment add-on. Since the current enrollments (10) plus the CCW reduced enrollment add-on (3) is greater than the licensed capacity ($10 + 3 = 13 > 12$), the grant calculation for the GCCH is 12 full-time enrollments.

8.30 For school-age-only providers, their licensed capacity is listed as 999. Will they have an enrollment cap like other certified providers?

Yes. The calculation logic automatically limits school-age-only provider's licensed capacity to 100.

9.0 Grant Funds

9.1 Will the grant funds be taxable?

Yes. The ARP Act does not exempt the ARP child care stabilization subgrant funding from taxation. Therefore, this funding is subject to the same tax rules as regular Child Care Development Fund funding. State tax rules apply. Regarding federal tax rules, please contact the Internal Revenue Service for guidance. In some cases, funds used to cover operating expenses may be exempt from taxation.

9.2 Will there be a difference in the total grant amount with a pending increase in licensed capacity change due to a large expansion?

The grant amount a provider would receive is impacted by the number of current enrollments, and capped at licensed capacity. Each provider will need to consider the advantages and disadvantages to delaying an application when an increase to licensed capacity and/or STAR Designation is close. For example, if an eligible provider is not expected to see a significant increase in enrollments for at least six months after their licensed capacity is increased due to a major renovation, it may not be ideal to delay the grant application. If a provider is expecting to see their Keystone STAR designation increase (i.e.

move from a STAR 2 to a STAR 3) within two or three weeks of when applications can be submitted, it may be beneficial to wait and apply for the grant.

9.3 Will every application be approved?

Applications for eligible providers will be approved if funds are available. OCDEL has \$728 million in available funding to disperse to eligible providers.

9.4 If a provider is listed for sale, and changes ownership during the monthly installments, what will happen?

If an eligible provider location is sold, the previous owner is responsible for reporting the sale to their certification representative and ELRC. The MPI number of the previous owner will be designated as 'permanently closed', and the previous owner will receive one more monthly installment for any outstanding debts or obligations. The new owner of the provider location is not eligible to receive a grant.

9.5 Will the funds be dispersed based upon the number of children currently enrolled?

Current enrollments of an eligible provider will factor into the grant amount. Providers can find more details on the grant calculation in [the American Rescue Plan Act Stabilization Subgrants for Pennsylvania Child Care Providers Summary Report](#).

9.6 Providers only get one chance to apply, what is the approval rate?

Applications from eligible providers will be approved if funding is available. OCDEL has \$728 million in available funding to disperse to eligible providers.

9.7 Will every eligible provider receive \$X amount of dollars per current enrollment?

Current child enrollments are a factor of the grant calculation. Each provider will receive \$312 per enrolled child per week, for six weeks. For example, a provider with 20 current enrollments would use the following calculation:

$$20 \text{ enrollments} \times \$312 \text{ per child} \times 6 \text{ weeks} = \$37,440$$

However, \$37,440 may not be the provider's total grant amount. Other factors such as STAR designation, infant/toddler service, and reduced CCW enrollments also factor into the calculation. Providers can find more details on the grant calculation in [the American Rescue Plan Act Stabilization Subgrants for Pennsylvania Child Care Providers Summary Report](#).

10.0 Monitoring

10.1 What does the "monitoring" look like for a provider?

ELRC will review the providers' documentation supporting the fiscal report submitted by the provider after the final payment. Additionally, ELRC may review documentation of the number of enrollments at time of application and payroll information to ensure that no staff experienced a decrease in hours or pay during the six months of the grant.

10.2 Will the grant be monitored after the six-monthly installment are released?

No, ELRC will select 15% of providers receiving funding after the reporting is complete.

10.3 If a provider is selected for monitoring, will they be given advanced notice?

Yes, ELRC will inform providers they have been selected for monitoring and agree on a date and time for the review to occur.

10.4 How will OCDEL verify the current enrollments a provider reports on their grant application?

Providers that receive a grant are expected to maintain appropriate documentation of items reported in the grant application, and how grant funds were spent. Providers can use whatever tool they have available to document current enrollments at the time the application is submitted. At the very least, the documentation should include the child's name and the parents/guardians contact information.

11.0 Payments / Monthly Installments

11.1 When an eligible provider applies for a grant, how long will it be before funds are released?

Once an application is submitted in the PD Registry, the ELRC has 30 calendar days from the submission date to approve or deny the application. Once the application is approved, the goal is to release the first monthly installment to the eligible provider within the 30-day window.

11.2 If an eligible provider's enrollment changes during the six months they are receiving payments will the monthly installment amounts increase or decrease?

No. A provider's monthly installment amount will be based on the grant calculation when the application is submitted. Changes in enrollment or STAR designation will not be included.

11.3 The grant will be disbursed over a 6-month period. Please explain if this is true.

Yes. An eligible provider, that has their grant application approved, will have their total grant amount issued in six equal monthly installments.

11.4 Is this a onetime award or will there be "rounds"?

The grant is a one-time award which will be issued to eligible providers in six monthly installments.

11.5 If a provider applies in November, will the payments still be over 6 months, or will the payment window be shortened?

The monthly installments will still be over six months.

11.6 Do eligible providers get monthly installments over 6 months or just have a 6-month time frame to apply?

Eligible providers, that have a grant application approved, will receive six monthly installments.

11.7 We have after school sites at schools but don't receive mail there. Will funds be awarded electronically or with paper checks?

ELRCs have wide discretion to issue payments to eligible providers in a manner that best meets their internal processes. If an eligible provider submits a grant application that is approved, and has concerns about how the monthly installments will be issued (i.e., electronic vs mail), please contact your regional ELRC. Grant ELRC contacts can be found [here on the DHS website](#).

11.8 Will the payments be included with our monthly scheduled payments on the 20th of the month or separately?

The ELRCs have been instructed to keep grants funds separate from all other monthly payments. Eligible providers should receive a separate payment for the grant monthly installments.

12.0 PD Registry Related

12.1 How do I ensure my organization is assigned to me and not under a previous director/owner?

To ensure the new Director is listed for the organization, the Director must first add their employment to the employment tab in the PD Registry. Once employment has been added, email registry@pakeys.org with the name of the organization and ORG ID or MPI. In the email, let the Pennsylvania Key staff know that you need administrative permissions. Once the Pennsylvania Key staff has given the Director the administrative permissions to the organization, they can go into the organization profile and click Org Details>Manage Organization Permissions and remove the former director. The Director may also give other staff administrative permissions by clicking the + sign beside their name at the bottom of the screen.

12.2 How do I know that I completed all information needed in the PD Registry?

Once registered, a director/owner should ensure they have administrative permissions to the organization. The administrators of the organization have access to the grant application. The director/owner should also ensure that the correct contact information is listed on the profile of the organization as well as the address. They should also select the 'status tab' within the organization profile to ensure that the correct MPI is listed. If it is not, the owner/director should email registry@pakeys.org with detailed information and the correct MPI.

12.3 I have been having trouble logging on to the PD registry. Who do I contact, as every time I click the "contact us" button, it takes me to the "locate profile" page?

This means that the provider may have a duplicate account. Please contact registry@pakeys.org.

12.4 I tried to claim my child care program on PD Registry, but how do you know if you did it right? Is there a way to check?

If a director/owner logs into the PD Registry and they have administrative permissions, they will see the organization tab listed in the top right drop down menu under their name. Click on the organization which takes you to the Organization profile. Click on the status tab to ensure the correct MPI is listed. If it is not, please contact registry@pakeys.org. If the Director is unsure if the organization has been registered, please contact registry@pakeys.org.

13.0 Reporting Related

13.1 After receiving the six-monthly installments, how can providers report how the funds were used?

After an eligible provider receives their 6th monthly installment, they will receive an email approximately 60 days later asking them to report on how the grant funds were used. The email will include a link that providers can select. The link will send providers to the PD Registry page where they can report on how their grant funds were spent. If a provider fails to report within 30 days of receiving the first email, they will be sent a second email reminding them to report.

13.2 Are all providers that receive a grant required to report or only those who are chosen to be monitored?

All providers that receive grant funding are required to report on how the grant funds were utilized.

13.3 If employers choose to pay employees when they are off due to COVID-19, would this be covered under personnel wages?

Yes.

13.4 When eligible providers do the reporting at the end, are they limited to only spending in the "bucket areas" that they indicated on the application?

No. Providers are not limited to the 'bucket areas' they indicated on their application. They can spend the grant funds for any eligible expense. All expenses must be used in support of stabilizing child care not covered by other federal funds. Grant funding must be used for at least one of the following eligible expenses:

- Personnel;
- Rent, utilities, facilities maintenance, and insurance;
- Personal protective equipment, cleaning, and other health and safety practices;
- Equipment and Supplies;
- Goods and services;
- Mental health services for children and staff; or
- Paying/Reimbursing for past COVID-19 related expenses; Costs incurred after 1/31/2020.

14.0 Support Related

14.1 Can eligible providers use their ELRC to get specific questions answered?

Yes. Eligible providers are encouraged to reach out to their ELRCs with any questions or concerns. If the ELRC cannot answer a question, they will send it to OCDEL for clarification.

14.2 How does an eligible provider notify their ELRC that they are not interested in a grant?

Eligible providers can complete the [declination form](#) and send to their ELRC. The letter will notify the ELRC that the eligible provider is not interested in receiving a grant. Upon receiving the letter, ELRCs will not conduct any further outreach to the eligible provider relating to submitting a grant application. A provider that submits a letter has the right to change their mind at a later time and submit a grant application. While providers may not feel like they want a stabilization grant, they should consider whether to apply and offer free or reduced tuition to families for the duration of the funds.

15.0 Allowable Uses Related

15.1 Can money be used to offset legal expenses related to parents suing over the mask mandate?

Yes. A provider can use grant funds to offset legal expenses related to the mask mandate. Legal expenses can either be categorized under 'Good and Services' or 'Personal protective equipment, cleaning, and other health and safety practices'

15.2 Do facility costs include real estate taxes?

No. An eligible provider can use grant funds for rent (including rent under a lease agreement) or mortgage payments.

15.3 How can eligible providers use the grant money?

Eligible providers that receive a grant can use the funds for a variety of purposes:

- Personnel costs, staff benefits, premium pay, sign-on bonuses, recruitment, and retention
- Rent or mortgage payments, utilities, facilities maintenance, and insurance
- Personal Protective Equipment (PPE), cleaning and sanitation supplies/services, and training/professional development related to health and safety practices

- Equipment and Supplies; purchases of or updates to equipment or supplies to respond to COVID-19
- Goods and services necessary to maintain or resume child care services
- Mental health services for children and staff
- Paying/Reimbursing for past COVID-19 related expenses; Costs incurred after 01/31/2020.

If an eligible provider is unsure if a certain expense fits into one of these categories, they are encouraged to reach out to their ELRC.

15.4 Can an eligible provider use grant funds to buy a new hot water tank?

Yes. This would be considered a facility maintenance expense. Eligible providers can also use the grant funds for minor renovations. However, the grant funds cannot be used for major renovations, which are defined as:

- 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.

15.5 Are these funds to be used for past expenses or future expenses.

Providers can use the grant funds for past eligible expenses or future eligible expenses through the reporting period.

15.6 Could a provider use the grant funds on remodeling the building?

As long as the remodeling does not meet the definition of a 'major renovation' (see question 15.16), remodeling would be an allowable expense. Allowable facility maintenance and improvement may include, but are not limited to, building, or updating playgrounds, renovating bathrooms, installing railing, ramps, or automatic doors, and removing non-load bearing walls to create additional space.

15.7 Can an eligible provider use all the grant funds for payroll?

Yes. A provider can use all the grant funds for payroll. Other personnel expenses that are eligible include staff benefits, premium pay, sign-on bonuses, recruitment, and retention.

Please Note: the grant is a one-time funding source for eligible providers. Programs should plan on how they might be able to continue personnel benefits after the grant funding expires.

15.8 Would a Family Child Care Home (FCCH) be able to use grant funds to pay for home mortgage and utilities expenses?

Yes. A FCCH eligible provider could choose to use grant funds to pay for home mortgage and utility expenses.

15.9 Can you do a one time "bonus" per employee?

Yes. A one-time bonus per employee for retention, hazard pay, or recruitment incentive is an eligible expense.

15.10 It was said that grant funds can be used to cover future expenses, can OCDEL explain this?

Eligible providers will receive monthly installments of their total grant award. They may choose to not expend the grant funds until a certain eligible expense is billed to them at a later point. For example, a provider receives a monthly installment on the 1st of the month. They receive a quarterly insurance bill the following month on the 25th. The provider has the option to not expend the monthly installments and instead wait until they receive their quarterly insurance bill.

15.11 If a provider is a group child care home (GCCH), how does the owner justify their salary? Can they use the grant money to stay open?

Eligible providers that receive a grant do not need to justify their salary. Personnel expenses (i.e. salary), rent or mortgage payments, and utility bills are all allowable expenses for the grant funds.

15.12 Can OCDEL please go back to the "to the extent possible" eligible providers are able to give relief from copayments and tuition?

Each eligible provider must determine how best to use the grant funds for their program. If an eligible provider chooses to prioritize other eligible expenses over relief from copayments and tuition, they have the right to do so. If an eligible provider is having trouble finding eligible expenses to use the grant funding for, OCDEL encourages providers to look at providing copayment/tuition relief for families. Copayment/tuition relief should first be offered to Child Care Works (CCW) families, then to other families that struggle to pay for care, and then all other families.

15.13 Does this grant have to be used in six months?

Eligible providers will have nine months (at most), from when the application is approved, to spend the grant funds and report how the funds were spent. OCDEL recommends providers use the grant funds within eight months and be ready to report on how the funds were used when they receive an email asking them to report.

15.14 What would be considered minor renovations and be allowable uses of the funds?

Allowable facility maintenance, improvement, and remodeling may include, but are not limited to, building or updating playgrounds, renovating bathrooms, installing railing, ramps, or automatic doors, and removing non-load bearing walls to create additional space. Other examples include:

- Replacing/repairing an existing roof
- Replacing/repairing existing windows
- Install a fence or replace/repair an existing fence
- Replacing/repairing existing concrete steps
- Removing a tree or other vegetation in an outdoor area
- Replacing/repairing an existing porch
- Replacing/repairing asphalt at program location
- Replacing/repairing existing flooring
- Having electrical repairs completed
- Installing or replacing/repairing a security system
- Replacing/repairing existing appliances
- Replacing/repairing an existing HVAC system
- Updating or installing a new bathroom for the child care program
- Updating or renovating a kitchen for the child care program

If a provider is unsure if something would be considered a minor renovation, they should contact their ELRC.

15.15 Can the grant funds be used to pay for minor renovations already completed?

Stabilization funds can pay/reimburse for past COVID-19 related expenses and costs incurred after 01/31/2020.

15.16 What would be considered a major renovation and not be an allowable use of the funds?

Major renovations would include, but not limited to:

- Structural changes to the foundation of a building
- Extending a roof or porch area
- Removing a load bearing wall
- Adding an addition onto a building
- Modifying a building so its main purpose would no longer be to provide child care

If a provider is unsure if something would be considered a major renovation, they should contact their ELRC.

15.17 Can OCDEL define ‘hazard pay’ as it relates to the grant? Is it a one-time bonus, is the pay increase temporary or permanent?

Hazard pay generally means providing staff additional pay for performing hazardous duty, such as provide child during COVID-19. Eligible providers are responsible for determining if staff should receive hazard pay from the grant funds, and whether any increase in salary is temporary or permanent.

Please Note: the grant is a one-time funding source for eligible providers. Programs should plan on how they might be able to continue personnel benefits after the grant funding expires.

15.18 Can grant funds be used to provide sign-on bonuses, staff bonuses, support staff pay increases, etc.?

Yes. A one-time bonus per employee for retention, hazard pay, or recruitment incentive is an eligible expense.

15.19 Can grant funds be used for regular expenses or just expenses brought on by COVID-19?

Grant funds can be used for any eligible expense, regardless if the expense was a result of COVID-19. See 15.3 for categories of eligible use.

15.20 Can a legal entity with multiple sites increase program director pay with the grant funds.

Yes. All staff are eligible to have their pay increased. Programs should plan on how they might be able to continue personnel benefits after the grant funding expires.

15.21 Every time a provider closed one of their locations, they did not charge any clients their fee. Can the provider go back and track those lost payments and use the grant to cover those fees?

Eligible providers are only allowed to use the grant funds to cover past expenses that occurred after January 31, 2020. They may not use the grant funds to cover lost revenue. If due to lack of revenue a provider used personal charge cards, used personal savings, obtained a loan or deferred payment, these funds can be used to repay those expenses.

15.22 Providers can use grant funds for professional development, does that include college course for staff?

Yes. This would be considered a personnel expense.

15.23 Can Family Child Care providers use grant funds to pay mortgages and/or make principal payments in advance on an existing mortgage?

Yes.

15.24 Can eligible providers use the fund to pay staff refunds for training that couldn’t be paid by the time of the training?

Stabilization funds can pay/reimburse for past COVID-19 related expenses and costs incurred after 01/31/2020. This would include professional development expenses paid out of pocket by staff.

15.25 Can grant funds be used to pay back loans and/or depleted reserves that were necessary to pay expenses and keep my doors open?

If due to lack of revenue a provider used personal charge cards, used personal savings, obtained a loan or deferred payment, these funds can be used to repay those expenses.

15.26 Is depreciation an allowable expense?

No.

15.27 Can an owner/operator who was not able to pay themselves use grant funds for back pay to self?

Yes, the owner/operator can pay themselves for lost wages back to Jan. 31, 2021.

15.28 Can an owner/operator who used personal funds to keep business afloat repay themselves?

If due to lack of revenue a provider used personal charge cards, used personal savings, obtained a loan or deferred payment, these funds can be used to repay those expenses.

15.29 Since these funds will be taxable, can eligible providers estimate the amount of tax and use funds to pay this tax amount?

No.

15.30 Could an eligible provider use the grant funds for meditation coaches, Reiki sessions, etc. versus 'western medicine' approaches?

The wellbeing of caregivers is also important to stabilizing the child care sector because the mental health and wellbeing of staff impacts training, recruitment, and retention as well as the level of care provided to children. Mental health consultations for staff and other types of mental health supports to staff are also allowable. Funds used to support mental health should be delivered by a qualified individual and appropriate documentation of the expense should be maintained.

15.31 Can funds be used for administrative work, cleaning expenses, transportation costs, COVID-19 testing for staff, etc.?

Yes. Funds can be used for any reasonable expense necessary to run your business.

16.0 Demographic Related

16.1 Do I have to put my race on application?

Yes, this is a reporting requirement included in the ARPA.

16.2 Will my race or ethnicity determine the amount that is received?

No. The questions in the grant application are strictly for federal reporting requirements.

16.3 If eligible providers are a non-profit owned run by a foundation board, how do you indicate race/ethnicity?

Each legal entity will determine who is submitting the application in the PD Registry. As the authorized applicant they select who in their organization is reported. It can be the Executive Director, or the location's Child Care Director.

16.4 Will there be a reporting to say what the average gender and/or race received?

Office of Child Care has not released the reporting expectations for the data they collect at this time.