

FRI Child Care Business Incentive Webinar Q&A's
6/14/2022

1. Do ongoing costs for maintenance and/or operations fall to the business or childcare center? **The child care center and the employer need to have an agreement in place with these terms.**
2. Are there any stipulations on in-kind donations? (ex. land worth X dollars?) **The funds for this award are provided by the State and Local Fiscal Recovery Fund (SLFRF), part of the American Rescue Plan. SLFRF requires that all costs be incurred during the period beginning March 3, 2021. Therefore, all costs incurred prior to March 3, 2021, are not eligible uses of these funds. Any in-kind donations of land and/or buildings considered to be part of the awardee's match requirement must be valued at the recent county assessor's valuation.**
3. For the business that receives the grant, I assume that is considered taxable income to the business, correct? **All tax issues should be discussed with your tax adviser. We cannot provide tax advice.**
4. Can the building grant be used to build a new larger childcare center if it is not connected to a business? It would be expanding the current daycare, but not at the current building? **If the expansion is in partnership with a business, a business can apply for this grant opportunity. The expansion of a child care facility may be moving to a new location.**
5. re: Slots grant - can funds be used to support staff recruitment/wages at a center that has been operating ~50% capacity for ~2 years because they can't hire staff? Would this meet the requirement for creating "new spaces"? **Staff wages are not specifically covered by this grant opportunity; however, if a business partners with a child care facility to reserve slots, this revenue may in turn assist centers with staff wages.**
6. Please define 'on-site'. Does applicant need to own the property? Can it be rented? **The applicant does not have to own the property.**
7. If there is a person interested in opening a child care but is not a business owner, can Manatts name her as partner? **Yes, however, you are encouraged to verify their qualifications for running a child care facility.**
8. Question on the JBS - if they are paying for unused slots...does that include slots that are open because the childcare doesn't have enough staff to hit capacity? **We are currently seeking an answer to this question. Q&A will be updated when more information is available.**
9. Could an employer split the grant funds to build and/or renovate facilities in two different towns/cities where the majority of their employees live? **Yes.**

10. In applications, can employers / consortiums make the argument that they are a childcare desert for particular types of childcare? For example, a city with a large number of manufacturing jobs that does not have sufficient access to second and third shift childcare? **Yes.**
11. So remodeling can be paid for with slots grant funding? **No. The slots grant is to reserve available space for an employer's employees.**
12. I am just a little unclear on what the grant dollars can pay for in the opening of additional slots. Can this pay for the childcare costs per child for the employee? So the employee will not pay, but the employer will. So essentially it is free childcare for the employee. Or does it just guarantee the open slots, and the parent/employee will still be expected to pay for the childcare costs. **This is one example of how it works. The details would be left up to the business and child care partner.**
13. What are the maximum amount of the grants? **Infrastructure - \$3 million cap for building a new facility and \$1.5 million cap for expanding or renovating a facility. Slots - \$250,000 cap.**
14. Some of these examples are for wages, but the grants can't be used for wages, correct? **The grant cannot be used as a direct stipend to a facility for wages; however, revenue generated by the child care facility through the partnership may be used as they deem appropriate.**
15. If a city were to be a partner or contributor toward the project, do the funds need to be in the bank or would a letter of commitment from the city be adequate. **A letter from a bank or CPA stating the funds are available would be required.**
16. Can two business partner up together? **Yes, we encourage consortiums.**
17. Do all employees need to have child care needs? **No, however, you must evaluate the needs of your employees to determine if this is an appropriate opportunity to pursue.**
18. What do I need to open up a child care business? **Please review <https://dhs.iowa.gov/childcare/providers> or <https://iowaccrr.org/providers/> for more information.**
19. Would the purchase, renovation, and strategic reuse of a vacant building that has not previously been utilized for child care function as an "expansion" or "new build" in terms of maximum award funding? **A new build if it is not an existing child care facility.**
20. Can the slots grant be used to support the recruitment and start-up costs for new registered providers? **How the child care facility utilizes revenue from the reservation of slots from the business is up to the program.**