



New Jersey Child Care Facilities Improvement Program—Phase 1

Frequently Asked Questions (FAQ)

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New Jersey Child Care Facilities Improvement Program—Phase 1

Frequently Asked Questions

*The New Jersey Child Care Facilities Improvement Program is part of the Child Care Revitalization Fund, which the New Jersey State Legislature passed and Governor Phil Murphy signed into law in July 2021. This program is administered by the New Jersey Economic Development Authority (“NJEDA” or “the Authority”). These FAQs are for **Phase 1** of the Facilities Improvement Program, which will provide grants for total project costs between \$50,000 and \$200,000 to licensed child care centers to make improvements to their child care facility.*

General Program

1. *What is the New Jersey Economic Development Authority (NJEDA or the Authority)?*

The NJEDA is the State’s principal agency for driving economic growth, working to carry out Governor Phil Murphy’s vision for a stronger and fairer economy. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and foster innovation.

2. *What is the New Jersey Child Care Facilities Improvement Program?*

The NJ Child Care Facilities Improvement Program is part of the Child Care Revitalization Fund, passed by the New Jersey State Legislature and signed into law by Governor Murphy in July 2021. The program will provide grants to New Jersey child care providers for facilities improvements that will contribute to high quality early childhood learning environments. Child care providers may propose interior and exterior facility improvements to enhance the quality of their program and receive funding to cover the full costs of the project. The funding currently available in 2022 is for Phase 1, which is only for licensed child care centers. Registered family child care providers (FCCs), also known as family child care homes, are not eligible for funding in Phase 1, but will make funding available in future program phases.

3. *What are the goals of the NJ Child Care Facilities Improvement Program?*

In line with Governor Murphy’s commitment to supporting the child care sector, the purpose of the grant is to support New Jersey child care providers to make improvements to their child care facility in order to:

- Support child care businesses – including many minority- and women-owned businesses and those in Opportunity Zone eligible census tracts – that normally don’t have access to fund facility improvements and allow providers to free up funds otherwise dedicated to facilities for other uses
- Promote developmentally- and age-appropriate environments and support providers impacted by the COVID-19 pandemic to remain viable and available to serve families and children

- Target resources toward providers serving low-income children through the Child Care Assistance Program from the New Jersey Department of Human Services (DHS)
- Engage providers to participate in Grow NJ Kids (GNJK), New Jersey's Quality Rating and Improvement System (QRIS) to potentially increase reimbursement rates for subsidy-eligible children

4. *What can the NJ Child Care Facilities Improvement Program funds be used for during Phase 1?*

The grants are to help licensed child care centers create high quality learning environments by covering the costs of interior or exterior improvements. A full list of the types of improvements eligible under this program may be found [here](#) (See Questions 11 and 12 for more about eligible project costs). The funding currently available in 2022 is for Phase 1, which is only open to licensed child care centers. Registered family child care providers (FCCs), also known as family child care homes, are not eligible for funding in Phase 1. In this phase, \$14.45 million is available with the ability to increase up to \$24.45 million based on demand.

5. *How did this program start and where is the funding coming from?*

In December 2020, NJEDA issued a Request for Information asking how the Authority could support the child care sector. One of the primary themes that emerged was that many child care facilities needed upgrades, but providers were unable to secure the funds to make those improvements. In July 2021, the legislature passed and Governor Murphy signed into law the Child Care Revitalization Fund, which appropriated \$100 million of federal American Rescue Plan (ARP) State and Local Fiscal Recovery Fund (SLFRF) to support child care providers and the child care workforce through a number of initiatives, including providing grants for facilities improvements, business technical assistance, workforce development supports, and a study of the child care landscape in the state. NJEDA received \$54.5 million for grants for facilities improvements and to provide technical assistance to child care providers. This program will also use \$4.45 million in state funds appropriated in the fiscal year 2022 budget to support child care facility improvements. Phase 1 will launch with \$14.45 million of combined state and federal funds, with the ability to increase up to \$24.45 million based on demand.

6. **NEW** *Is this the same grant we received previously from NJEDA?*

This is a new and different grant program. If you are referring to the NJEDA Main Street Small Business Improvement Grant program, that is for costs that have already been paid by you and is for a smaller amount (under \$50,000). NJEDA also administered the COVID Small Business Emergency Grants. Our program is for FUTURE costs only and is for a larger amount (\$50K-\$200K). You can be eligible to receive funding in both programs, as long as you use the funding for different things. This is also a different grant than the NJ ARP Stabilization Grant and the Hiring and Retention Bonus Grant, both of which are administered by NJ DHS.

7. **NEW** *When do you expect to release future phases of this grant?*

Future phases of this funding are still under development, and more information will be shared when available. Sign up for the [NJEDA newsletter](#) to be notified when new rounds of funding become available and to receive other program updates.

Applicant Eligibility

8. *Who is eligible to receive funding from the NJ Child Care Facilities Improvement Program?*

During Phase 1, only licensed child care centers are eligible. Applicants must meet the following criteria:

- Applicants must be child care centers licensed by the NJ Department of Children and Families (DCF) as of June 4, 2021 and offering full time care for 6 hours or more per day (Monday-Friday).

- Note: Registered family child care providers (FCCs), also known as family child care homes, are not eligible for funding in Phase 1.
- Applicants must currently enroll, or have enrolled in the 12 months prior to the date of application, at least one (1) child receiving support through the Department of Human Services (DHS) Child Care Assistance Program (CCAP)
- Applicants can be for-profit businesses or non-profit organizations
- Applicants can own or lease their space
- Applicants must be in good standing with the New Jersey Departments of:
 - Labor and Workforce Development
 - Environmental Protection
 - Treasury (Division of Taxation)
 - Children and Families
 - Human Services
- Applicants must not be debarred from receiving federal funds as indicated through the federal System for Award Management (SAM) [See Question 33 for more information]
- If not already enrolled in Grow NJ Kids (GNJK), the NJ Quality Rating and Improvement System, applicants must commit to enroll within one (1) year of executing a grant agreement with the NJEDA.
- Applicants must commit to maintaining their license with the Department of Children and Families (DCF) to provide care at the location of the facility improvement project for at least four (4) years following the execution of a grant agreement with the NJEDA.

9. *Will Registered Family Child Care (FCC) providers be eligible for funding?*

Not in Phase 1. Registered Family Child Care providers (also known as family child care homes or home-based providers) are not eligible during Phase 1 of funding but will be in subsequent funding phases. Sign up for the [NJEDA newsletter](#) to be notified when new rounds of funding become available and to receive other program updates.

10. *What provider types are eligible to apply?*

Applicants must be licensed child care centers by the NJ Department of Children and Families (DCF) as of June 4, 2021, and can be:

- Non-profit organizations
- For profit businesses

School districts are not eligible to apply directly for this program.

11. *NEW What if I have a temporary DCF license at the time I want to submit my application. Is that ok?*

Yes, if you have a temporary license, you are in substantial compliance with DCF and would meet the grant's eligibility requirements.

12. *NEW Are summer camps eligible for funding?*

We are clarifying some details regarding this question and will have a response soon. Please note that all eligible applicants must have a license from NJ DCF. If you are a camp and only have a license from the NJ Department of Health, you are not eligible.

13. *NEW Are school age (Before and After School care) eligible to apply? What about programs that provide less than 6 hours of care per day during the school year but more than 6 hours of care per day during summer?*

We are clarifying some details regarding this question and will have a response soon.

14. Are providers that are involved in religious activities or religiously affiliated eligible to apply?

Yes, these providers are eligible to apply if they hold a DCF license. Applicants will need to complete the Religious Affiliation questionnaire as part of the application process and may be asked to submit additional information at the request of the NJEDA so that an eligibility determination can be made.

15. *If I'm a DCF licensed child care provider and offer services within a school building, am I eligible to apply?*

Yes, if child care providers meet the other eligibility criteria noted in Question 6, they are eligible to apply. These applicants will also need to meet the same requirements of landlord certification in their application.

16. *NEW Our site recently went through a change in sponsorship/ownership. Am I eligible to apply?*

If your license number stayed the same through the change of sponsorship/ownership, and that license was active as of 6/4/21 you could still be potentially eligible. If your license number changed after 6/4/21, it would not be eligible.

17. *Do I have to have a Unique Entity ID from SAM.gov to apply for this funding?*

No, you are not required to have a unique entity ID to apply to this program, nor are you required to independently verify your eligibility to receive federal funds. If you believe you are registered, you can update, renew, or check the status of your entity registration at the SAM.gov website, accessible [here](#). Applicants cannot be debarred from receiving federal funds.

18. *Do I have to participate in Grow NJ Kids at the time of application?*

Grantees will need to enroll in Grow NJ Kids (GNJK) within one (1) year of executing a grant agreement with the NJEDA.

19. *UPDATED I own/operate multiple child care centers. Can I apply more than once?*

Yes. However, applicants are limited to one (1) application per location/facility/DCF license number and two (2) applications per Employer Identification Number (EIN). Each project within one (1) application may be between \$50,000 - \$200,000. For example, say that Happy Kids Child Care Center operates child care programs at five (5) locations under one EIN. Each location has its own facility and its own DCF license number. Happy Kids Child Care Center would be eligible to apply for a maximum of 2 of its 5 sites, for a maximum of \$200,000 at each of those 2 sites, for an overall total of \$400,000 in funding. They also could not reduce the amount of funding per site and apply for more than two locations.

41. *UPDATED We are a large agency that operates many sites of various sizes. We have similar expenditures planned for multiple sites with an aggregate cost that falls within the program's parameters. However, the cost of improvements at one site may not hit the threshold individually. Can such costs be bundled in the application?*

Each application must outline a project of between \$50,000 - \$200,000 for a single location connected to a DCF license number. Please note that a provider with one Employer Identification Number (EIN) can only apply for a maximum of two (2) locations/facilities in Phase 1 of this program. Any costs that would be split across sites must be clearly delineated in the proposed budget. You can not apply for a lower amount per site at more than 2 sites (like \$60,000 at 4 sites), even if the total requested is below the maximum funding. The maximum number of applications per EIN is two (2) applications.

20. *NEW Can I get funding for an improvement for something that is shared by multiple tenants in a building like HVAC or a roof? I own my property, but it is partially rented by another business. Is there an issue with improvements that would be generally beneficial to the whole building?*

It will depend on a few different elements including, but not limited to, the project and eligible uses, whether an applicant is religiously affiliated or not, and whether the child care facility is a direct beneficiary of the improvement. These applications will be considered on a case-by-case basis. Applicants may be asked to submit additional information at the request of the NJEDA so that an eligibility determination can be made.

21. *I rent space for my child care from a religious entity. Am I eligible to apply?*

Yes, these programs are eligible to apply if they hold a DCF license and meet the other eligibility criteria noted in Question 6. The applicant must provide a certification from the landlord (template will be provided by the NJEDA) that they have reviewed and approved the proposed facility improvements.

22. *I rent space for my child care facility from a school district. Am I eligible to apply?*

Yes, these programs are eligible to apply if they hold a DCF license and meet the other eligibility criteria noted in Question 6. The applicant must provide a certification from the school district serving as the landlord (template will be provided by the NJEDA) that they have reviewed and approved the proposed facility improvements.

23. *NEW I understand school districts can't apply. What if it is a blended site that has private classrooms and also contracts with a district?*

Yes, these providers are eligible to apply if they hold a DCF license. If the provider is located in a space owned by the school district, they will also need to notify the district of the proposed project and have the school or school district complete the Landlord Certification as part of their application.

24. *I lease my facility and I currently have a two (2) year term. Is that ok?*

Applicants may own or lease the space that will be improved using the grant funding. If the space is leased, the applicant must provide a certification from the landlord (template will be provided by the NJEDA) that they have reviewed and approved the proposed facility improvements. Landlords are not eligible to apply directly for this program. The provider must also commit to staying licensed through DCF for four (4) years, so applicants should only propose facility improvements for a location that they expect to have the ability to lease for at least four (4) years.

25. *I own my building. What do I need to provide with my application?*

Applicants that own the space where they provide child care will need to provide a copy of a deed, property tax statement, or proof of mortgage.

26. *I am a child care provider that operates a program in a location that offers us space for free (in other words, we have no rent costs). Is that ok?*

Yes, but you must provide formal documentation of the arrangement with the location where you provide services. Even without a rent payment, the building owner or landlord must still provide a certification that they approve of the facility projects and applicants should only propose facility improvements for a location that they expect to have the ability to remain at for at least four (4) years.

27. *How much funding can I receive from the NJ Child Care Facilities Improvement Program?*

In Phase 1, grants will cover the full amount for projects with costs between \$50,000 and \$200,000. Up to 20% of the total grant may be used for soft costs such as architect fees or environmental assessments. A complete list of eligible improvement projects can be found [here](#).

28. I previously received money from the New Jersey Department of Human Services (DHS) through their American Rescue Plan (ARP) Stabilization Grants and/or the Hiring and Retention Bonus Grant. Am I still eligible to apply to receive this grant?

Previously receiving [DHS ARP Stabilization Grants](#) or [DHS ARP Hiring and Retention Bonus Grants](#) administered by the NJ DHS Division of Family Development does not impact your eligibility as an applicant for this grant. Similarly, if you receive future ARP Stabilization Grants, that does not impact your eligibility. However, any future funds you receive through NJ DHS cannot be combined with or used to support the same costs that NJEDA is paying for. For example, you may use the DHS ARP Stabilization Grant to provide a salary increase for staff within your center and funds from NJEDA for a project to replace windows throughout your center.

29. To qualify for this program, does the NJEDA require that I pay my employees a certain wage?

There are no requirements related to staff compensation as part of this grant through NJEDA. However, there are prevailing wage requirements for Public Works Registered Contractors conducting facility improvements (see question 48 for more information)

30. UPDATED *What is the Child Care Assistance Program (CCAP)?*

The Child Care Assistance Program helps income-eligible parents who are in school or working to pay for child care. Providers who are interested in participating in CCAP are required to be licensed, regulated, registered or approved, meet DHS Division of Family Development requirements to qualify for funding and are required to comply with federal requirement as the program is funded by the Child Care Development Block Grant. More information on CCAP can be found [here](#). Local Child Care Resources & Referral (CCR&R) agencies administer CCAP including managing the agreements with child care providers and coordinate payments for services rendered. We know that subsidies are referred to in many different ways, so please check with your local CCR&R [here](#) to confirm your participation. You may know or refer to CCAP by the name of your CCR&R. The CCR&Rs in New Jersey are: 1) Bergen County Office for Children; 2) Burlington County CAP; 3) Camden County Department of Children's Services; 4) Child Care Connection; 5) Child Care Resources; 6) Child & Family Resources; 7) The Children's Home Society of NJ; 8) Community Child Care Solutions, Inc.; 9) Community Coordinated Child Care of Union County; 10) NORWESCAP Child & Family Res. Serv.; 11) Programs for Parents, Inc.; 12) Rutgers Southern Regional CCR&R; 13) Urban League of Hudson County and 14) 4CS of Passaic County, Inc.

31. NEW *What if I had a child receiving assistance from CCAP but they move or enrolls in another school? Can I apply?*

Yes, as long as the child was enrolled in the 12 months prior to you applying for this grant. For example, a child was enrolled through August 2022 and you apply in November 2022 then you would meet the eligibility criteria. However, if the child was enrolled through August 2021 and you apply in November 2022, you would not be eligible.

32. I don't currently serve children that receive assistance under the Child Care Assistance Program, but I'm willing to as part of this grant. How do I apply for CCAP?

Child care providers that wish to begin accepting child care assistance must meet the program requirements for CCAP and the Child Care Development Block Grant (CCDBG). Those requirements can be found [here](#). To learn more about how to accept children receiving assistance, child care providers should contact their local Child Care Resource & Referral (CCR&R) center. Find your local CCR&R [here](#). The average time frame to determine eligibility is 30 days.

At the time of application to the Child Care Facilities Improvement Program, you must currently enroll at least one child receiving CCAP assistance or have enrolled at least one child receiving CCAP assistance in the 12 months before you apply. If you are in the process of becoming eligible to enroll children receiving CCAP assistance, or if you are eligible but have not yet enrolled a child receiving CCAP, please wait to apply for the Child Care Facilities Program until you have enrolled at least one child receiving CCAP.

33. *NEW Can we enroll a child receiving assistance now and still be considered eligible?*

Yes, you must enroll a child receiving subsidy as of the date of your application or within the prior year tied to the date of your application, so you still have time to do so before submitting your application.

34. *NEW What happens if the one child receiving assistance from CCAP withdraws, moves, or enrolls in another school after the grant has been approved?*

The subsidy requirement is based on enrollment at time of the application or the prior 12 months to application. It does not relate to future enrollment.

35. *UPDATED What if I am authorized to accept a child receiving CCAP but don't currently have one enrolled. Am I eligible for this program?*

To qualify for this program, at the time of application, you must have enrolled a child in the last 12 months who was receiving CCAP. Being authorized to accept CCAP does not qualify you for this program without enrolling a child in your program. NJEDA will confirm enrollment of children receiving assistance from CCAP with DHS. For example, if a child was enrolled until August 2022 and you apply in October 2022, you would be eligible on that front. If you apply in September 2023 (13 months after the child left your program), you would not be eligible.

36. *How do I prove that I enrolled a child receiving CCAP in the last 12 months? Should I send information to NJEDA?*

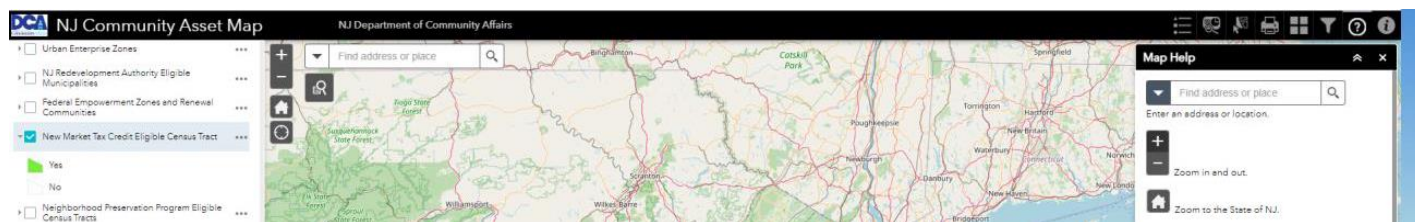
NJEDA will confirm enrollment of children receiving assistance from CCAP directly with DHS. Please do not send any information to NJEDA about the children who are enrolled, especially any Personally Identifiable Information (PII). We will handle the CCAP verification directly with DHS.

37. *I recently opened a child care facility. I am licensed by DCF, but I was not operational as of June 4, 2021. Am I eligible for the grant?*

Providers who were not licensed by June 4, 2021 will not be eligible for funding in Phase 1. The Small Business Improvement Grant from the NJEDA may be an option for providers that do not meet this criterion. Find more information about the Small Business Improvement Grant [here](#). Providers who were not licensed by June 4, 2021 may potentially be eligible for future phases of funding. Sign up for the [NJEDA newsletter](#) to be notified when new rounds of funding become available and receive other program updates.

38. *UPDATED What is an Opportunity Zone eligible census tract? Is this based on the location of our facility or the home addresses of our students?*

The NJ Child Care Facility Improvement Grant has set aside 40% of funds in Phase 1 for child care centers located in Opportunity Zone (OZ) eligible census tracts. Opportunity Zones are part of the 2017 federal Tax Cuts and Jobs Act to drive long-term capital investments into low-income rural and urban communities. A census tract with a poverty rate of 20 percent or higher or a median family income up to 80 percent of the larger area median is considered an OZ eligible census tract. If you'd like to know if you are located within an OZ eligible census tract use the [OZ Mapping Tool](#) and select 'New Market Tax Credit Eligible Census Tract' to determine if your location is in an OZ eligible census tract.



Children served at the site do not need to live in Opportunity Zones.

39. **UPDATED** *Can I still apply if my facility is not in an Opportunity Zone (OZ)?*

Yes. While NJEDA is setting aside 40% of funding in Phase 1 for eligible child care providers located in OZ eligible census tracts, but providers are not required to be located in an OZ eligible tract to receive funding through this grant. Please note that the OZ eligibility is based on the location of the facility, not the residence of the children served. If you are not located in an OZ, but serve children who reside in an OZ, you would not be eligible for the 40% set aside of funding for providers in OZs. But you would still be eligible for the broader program.

Project Eligibility

40. *What are the project eligibility requirements?*

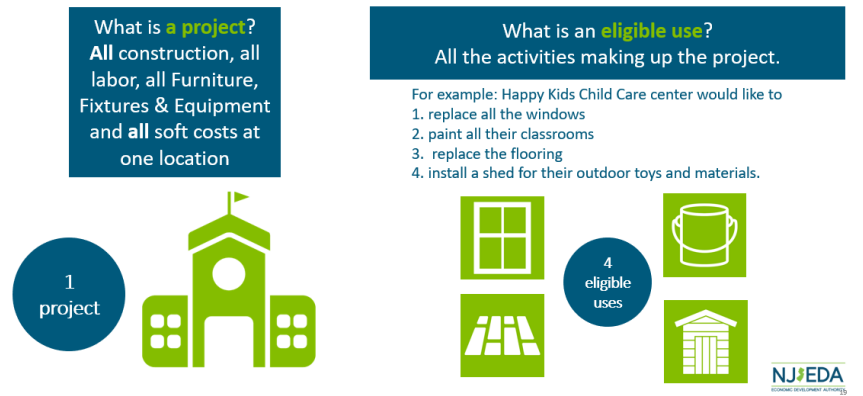
- Total project costs between \$50,000 and \$200,000 for each project location
- Costs for labor and materials for interior or exterior improvements to create high quality learning environments. A complete list of eligible improvement projects can be found at www.njeda.com/child-care-improvement-program/.
- Soft costs are capped at 20% of the total grant and limited to:
 - Architect fees
 - Permit fees
 - Construction management
 - Freight, shipping, and delivery
 - Environmental assessment
- Contractor(s) working on the project must be a NJ Department of Labor and Workforce Development (DOL) Public Works Registered Contractor and abide by New Jersey prevailing wage and affirmative action requirements. A complete list of Registered Contractors maintained by the New Jersey Department of Labor and Workforce Development can be found [here](#). More information on identifying a contractor can be found in the **Tips For Finding a Contractor** [here](#).
- Grant from the NJEDA must cover the full cost of the proposed facility improvement. Applicants are not allowed to use external funding for projects proposed in their Child Care Facility Improvement Grant application.

41. **UPDATED** *What is considered a “project?”*

All construction and demolition; labor and installation associated with facility improvements; Furniture, Fixtures & Equipment; shipping costs, and soft costs at one facility location/site is considered one (1) **project** and the activities making up the project are called **eligible uses**. When describing their project, an application could have multiple eligible uses.

For example, Devon’s Child Care Center’s project includes: (A) installing child sized toilets, (B) installing child sized sinks, and (C) painting a classroom. All of these (A, B and C) would be considered one (1) project since it is completed at one facility, with three (3) eligible uses. As another example (see visual below), Happy Kids Child Care Center’s project includes (A) replacing the windows, (B) painting all their classrooms, (C) replace the flooring, and (D) install a shed for their outdoor toys and materials. All of these (A, B, C, and D) would also be considered one (1) project since it is completed at one facility with four (4) eligible uses. Remember that total project costs of all eligible uses, soft costs and FFE may not exceed \$200,000 for each location.

What is considered a project?



42. What is considered as Furniture, Fixtures and Equipment (FFE)?

The intent of the NJ Child Care Facilities Improvement Program is to give child care providers funding to make facility improvements and minor renovations to their centers. We recognize that funding for facility improvements is not typically available to child care providers, especially in non-repayable grants up to \$200,000, and are excited to be rolling out the funding to New Jersey's child care sector.

With that in mind, we want to emphasize that applicants should carefully consider their options to support the various elements of their proposed project, specifically as it relates to options for purchase of Furniture, Fixtures and Equipment (FFE), which is defined as the moveable items for a building that have no permanent connection to the structure or utilities. In other words, if you remove an item of FFE it won't damage the structure of the building. These are items that are used in the child care business' normal, everyday operation, and excludes consumable materials like art supplies or paper goods. The items are expected to have a lifespan of three years at a minimum.

While FFE is an allowable expense within your project costs, we strongly encourage providers to consider several factors when deciding whether to include it as part of your costs through this funding:

- 1) Any funding for FFE purchases will be paid to child care providers on a reimbursement basis, unlike the other costs where NJEDA will pay the contractor or vendor providing soft cost services (i.e. architect) directly. In other words, the child care center will have to first buy the FFE and then submit the details to NJEDA for reimbursement.
- 2) There may be other funding sources that you can use to pay for FFE purchases, which may allow you to then use a larger share of the NJEDA funding for direct facility improvements. These other funding sources include the [DHS ARP Stabilization Grants](#) as well as another NJEDA program, the [Small Business Improvement Grant](#) program, which provides reimbursement for 50% of FFE purchases and other facility improvements up to \$50,000. We encourage providers to consider all of the potential funding they have available and structure their purchases accordingly.
- 3) If you purchase FFE and request reimbursement through the Child Care Facilities Improvement Program, you will be required to certify that there is no 'Duplication of Benefits' and that no other government funds were used on the same expense. For example, if you buy a \$500 bookcase, you cannot use DHS ARP Stabilization funds to cover the \$500 cost and then request reimbursement for \$500 from NJEDA. That would be duplicating (or double-dipping) into government funds, and as part of the application you will complete an affidavit stating you will not use government funds in this way. If you use other general funds to purchase the bookcase, it could be eligible for reimbursement by NJEDA.

43. What costs are considered "hard costs"?

Hard costs include construction labor and materials.

44. Do I have to apply for all three types of expenses: hard costs and FFE and soft costs?

No. You can apply for one of the following: 1) hard costs only; 2) hard costs and FFE only; 3) hard costs and soft costs only; or 4) hard costs, soft costs and FFE altogether. You cannot apply just for soft costs, as soft costs are capped at 20% of the total grant. Again, we strongly encourage providers to consider several factors when deciding whether to include FFE as part of your costs through this funding as noted in Question 13.

45. Do I have to pay money for the construction costs (hard and soft costs) upfront and wait to be reimbursed or paid back?

No. Child care providers will not pay any money for the construction costs (hard costs or soft costs). The funds from the NJEDA will cover the entire cost of the project, and NJEDA will make payments directly to the registered Public Works Contractor(s) for the project costs or vendor providing the soft cost services.

46. *UPDATED* Are there any other costs I will need to pay upfront?

Yes. If you are approved for funding, costs for eligible and approved FFE purchases will be paid to child care providers on a reimbursement basis. After receiving approval from NJEDA for prospective items, child care providers will purchase their FFE and then complete the NJEDA reimbursement process. See Question 13 for more information on purchasing FFE. Child care providers will need to provide documentation proving payment, including but not limited to invoices, statements, and/or cancelled checks. The length of time for a reimbursement will be dependent on the completeness of the reimbursement reporting. Remember, no costs should be paid or incurred until you have executed a grant agreement with NJEDA. You will not be reimbursed for any prior expenses. There is no fee to apply for this program.

47. *NEW* Will NJEDA reimburse purchases made on credit, or do the purchases need to be made in full?

Purchases made on credit or paid in full will be acceptable. NJEDA will not accept lease agreements.

48. *NEW* Am I able to purchase the materials myself and provide them to the contractor for construction/installation? How would that be paid for?

Any materials that fall under hard costs will need to be included in your Public Works Registered Contractor's quote and will be reimbursed directly to them. If FFE is approved as part of your project, you will purchase those materials and request a reimbursement from NJEDA.

49. What if my project costs less than \$50,000?

The minimum total project costs for this grant are \$50,000. If your project is under this threshold, the NJEDA's Small Business Improvement Grant may be an option for you. Learn more about the grant [here](#). Please note that you can potentially receive (or have already received) a grant through both NJEDA's Small Business Improvement Grant and this program, but the funds cannot be used for the same purpose. Please also note, the Small Business Improvement Grant program is a reimbursement program for costs already incurred. The NJ Child Care Facilities Improvement program is for prospective costs that will occur in the future.

50. What if my project costs more than \$200,000? Can I provide/secure additional funding to cover these costs?

The grant must cover the full cost of the facility improvement(s) proposed in the Child Care Facilities Improvement Program grant application. Applicants may not use external or additional funding to pay for the improvements proposed in the Child Care Facilities Improvement Program grant application. You may request funding for more than one eligible use in your application. If your facility has multiple eligible uses, remember that the entire project submitted to NJEDA for approval must total less than \$200,000. For example, say you have three eligible uses, to: (A) add walls which costs \$60,000 and (B) install a new bathroom which costs \$110,000 and (C) repair your playground which costs \$70,000. The total for (A) and (B) and (C) is \$240,000. Since the total cost of all three projects is above the grant's \$200,000 maximum,

you will need to decide which projects to include in their application. For example, you would need to apply for (A) and (B) which is \$170,000 total, or (A) and (C) which is \$130,000 total or (B) and (C) which is \$180,000 total.

If you submitted with two eligible uses, you could still implement the third eligible use but it would have to be fully paid for with your own resources. NJEDA will not provide funds for a partial eligible use, to ensure the projects funded with this grant are not delayed by lack of funds from other sources. Please consider this framework when you plan your project scope. See Question 34 for more information the limitation on outside funds.

51. *Can I use the funds for construction or opening a new child care facility?*

Applicants cannot use grants to finance new facility construction, construction of additions, facility or site acquisition, or fines incurred because of code or zoning violations during a construction project(s) associated with this grant.

This program is only open to child care providers licensed as of June 4, 2021 and therefore cannot be used for facility improvements for a new child care center.

52. *NEW Will any project types be prioritized for funding? What about provider types? What about the capacity or demographics of children served? What about geography?*

No. There is no preference or priority based on the type of center/applicant. There is also no preference or priority based on the uses or projects, as long as they are all included in the eligible uses that are detailed in our materials. There is no preference or priority based on the capacity of a provider, nor on the demographics of children served. There is no preference or priority based on the geography of a provider.

53. *Will I be required to repay the grant funding or provide matching funds?*

No, grants provided under the Child Care Facilities Improvement Program are not loans and are not required to be repaid. Applicants are not expected or allowed to provide matching funds.

54. *If I complete a project on my own, can I submit my expenses for reimbursement through this grant program?*

No. The NJ Child Care Facilities Improvement Program will not provide reimbursement for costs already incurred prior to the grant award. However, the Small Business Improvement Grant from the NJEDA may be an option for providers who have already completed facility improvements. You can find more information about the Small Business Improvement Grant [here](#).

55. *We already started construction on a facilities improvement project at my center. Should I stop working on it and wait to use this grant for it instead?*

Funds from this grant cannot be used to cover facility improvement expenses already paid (retrospective costs), but you may want to look into the Small Business Improvement Grant program [here](#) which may be able to cover some of those costs. Eligible uses outlined in your application is for work not yet completed regardless of work in progress or completed. We also cannot guarantee your application will be funded or that all your proposed eligible uses will be approved. As reminder, the NJEDA Child Care Facilities Improvement Grant program funds will not be released until after you are approved to start construction.

56. *NEW Can I have multiple contractors, such as one for outside and one for inside?*

Yes. These would be for different 'eligible uses' that would combine for one 'project' as long as the total was \$200,000 or less. Remember that all contractors and subcontractors must be Public Works contractors registered with NJDOL.

57. *I want to create a new classroom with existing space in my facility. Can I do that?*

Yes, you may create a new classroom in an existing space by converting or adapting other rooms. However, projects cannot replace existing infant or toddler space and reduce the overall number of infants and toddlers served at the

facility. For example, a project could renovate a classroom previously licensed for preschoolers into an infant room, however a classroom licensed for infants or toddlers could not become a preschool classroom unless those infant and toddler spaces were created or replaced somewhere else in the facility such that there is not a decrease in the overall number of infants and toddlers served. Additionally, grant funding cannot be used for major construction like an addition to a building.

58. *NEW Can I switch a preschool classroom and an infant/toddler classroom? Does the infant/toddler capacity need to stay the same?*

You can propose that as your project as long as the switch meets all licensing regulations **AND** does not decrease the total infant/toddler capacity at the facility location.

59. *Can I combine the NJEDA funding with other resources to pay for the same project?*

No. The grant must cover the full cost of the facility improvement(s) proposed in the Child Care Facility Improvement grant application. Applicants may not use external or additional funding to pay for the improvements proposed in the Child Care Facilities Improvement Program grant application. Applicants will also be required to confirm that there is no Duplication of Benefits (using federal money to pay for something twice) with other federal funds received, including but not limited to:

- New Jersey Department of Human Services ARP Child Care Stabilization Grant
- New Jersey Department of Human Services Hiring and Retention grant
- NJEDA Small Business Improvement Grant
- Insurance Proceeds
- Other Program/Funding Source

Remember if you purchase FFE and request reimbursement through this grant, you will be required to complete an affidavit in your application that there is no Duplication of Benefits and that no other government funds were used on the same expense. For example, if you buy a \$500 bookcase, you cannot use DHS ARP Stabilization funds to cover the \$500 cost and then request reimbursement for \$500 from NJEDA. That would be duplicating (or double-dipping) into government funds. See Question 27 for more information on selecting eligible uses that can be fully funded by this grant.

60. *I received money from the NJEDA in the past, through the Small Business Emergency Assistance Grant program and/or the Small Business Improvement Grant program. Am I still eligible to apply to receive this grant?*

The NJ Child Care Facilities Improvement program is for prospective costs that will occur in the future. Receiving prior grants from the NJEDA does not impact your eligibility as an applicant for this grant.

Contractor Requirements

61. *NEW Why do Public Works registered contractors have to be used?*

By law, all contractors through this program must be Public Works contractors registered with the NJ Department of Labor.

62. *What requirements is my contractor(s) subject to on this project?*

- Contractors must be registered as a New Jersey Department of Labor and Workforce Development (DOL) Public Works Contractor. More about Public Works Registered Contractors can be found [here](#).

- Contractors and their subcontractors must register at SAM.GOV and are subject to a debarment check
- Contractors must agree to pay prevailing wage, which is set by county and by construction trade
- Contractors with 4 or more total employees must abide by affirmative action requirements
- Contractors must only hire subcontractors that are also Public Works Registered Contractors

NJEDA reserves the right to also conduct site visits during construction to confirm that work is being completed in accordance with eligible uses for the Program, federal guidelines, and all prevailing wage and affirmative action requirements.

63. *UPDATED: How do I find a contractor that is certified as a DOL Public Works Registered Contractor? Will the NJEDA find a contractor for me?*

Child care providers will be responsible for finding a DOL Public Works Registered Contractor(s) that is on the New Jersey Department of Labor Public Works Registered Contractor List. You can access a complete list [here](#). You can search the list by city and sort the list by county to find Registered Contractors in your area. If your project requires multiple contractors (i.e. plumber, electrician, general contractor), each contractor must be registered. You may use a contractor from out of state, however they must be on the New Jersey Department of Labor Public Works Registered Contractor List.

NJEDA will also be hosting a list of contractors who have explicitly expressed interest taking on these facilities projects. You can access that searchable list [here](#). Remember: contractors must also agree to prevailing wage and other affirmative action requirements, as applicable.

64. *NEW What if our construction vendor complies with Certified Payroll and Prevailing Wage instead of being a Public Works registered contractor? Would they meet the requirements?*

No, all contractors need to be Public Works contractors registered with the NJ Department of Labor.

65. *Can I use more than one contractor on this project?*

Yes. For example, you could use one contractor that is a plumber to install a bathroom and a second contractor to repair the roof. Both contractors would have to be certified as a DOL Public Works Registered Contractor. If you use a General Contractor (GC) who subcontracts work out, the GC and all subcontractors must be Public Works Registered Contractors.

66. *NEW How do I find a contractor for playground installation?*

Some contractors may hold a certification from specific playground companies, but it is not required. Playgrounds installed in New Jersey must comply with the Public Playground Safety Handbook found here in [English](#) and here in [Spanish](#).

67. *NEW Will I need to submit multiple bids or quotes?*

You may choose to receive multiple bids before you apply, but do not need to submit multiple bids as part of your application. At least one quote from a Public Works registered contractor must be uploaded with your application but does not need to be the lowest quote you received. During the application review, NJEDA will assess projects for cost reasonableness and will reach out to applicants if there are any questions.

68. *What is prevailing wage?*

The New Jersey Prevailing Wage Act is a law that sets a minimum pay rate to laborers, craftspeople, and apprentices working on public works projects for each county in the state. All NJEDA projects are subject to this requirement. You can find more information about prevailing wage at: <https://www.nj.gov/labor/wageandhour/prevailing-rates/public-works/>

69. Does the New Jersey Prevailing Wage Act impact me after the project is complete?

Prevailing wage is required for any other construction contracts at this facility for the two years after a grant agreement is signed with NJEDA.

70. What if my contractor(s) cannot complete the project after my application is approved?

If the contractor(s) are no longer available to work on the project, the child care providers are required to notify NJEDA and must find a new Public Works Registered Contractor(s). Any new contractor(s) will be required to submit a valid Public Works Certification to NJEDA prior to starting any facility improvement project.

71. How can a contractor become a Department of Labor Public Works Contractor?

Contractors can find more information about the registration process [here](#). Contractors may also contact DOL at pwcr@dol.nj.gov with questions.

72. NEW Where can a contractor be added to the NJEDA Interested Contractor list?

Interested Public Works Registered Contractor(s) can complete a form at <https://www.njeda.com/child-care-facilities-improvement-program-public-works-contractor-interest-form/>.

73. NEW Will contractors work on weekends? Are we expected to close during the construction process?

This is something you will need to negotiate with your contractor and potentially consult DCF Office of Licensing depending on the nature of the facility improvement. For more information about licensing requirements, please refer to the New Jersey Department of Children and Families [Manual of Requirements for Child Care Facilities](#), Subchapter 5 Facility Requirements.

Application Process

74. NEW What is the length of Phase 1? Is there a deadline to submit?

There is no deadline. Applications will be accepted and reviewed until all funding is committed, or three (3) years after the date of application launch, whichever is sooner.

75. When will the application open?

The application is currently under development and set to be released in fall 2022. Sign up for the [NJEDA newsletter](#) to be notified of program announcements and updates and check the [Child Care Facility Improvement Program](#) page for updates.

76. UPDATED Can I create an account before the application opens?

Applications are expected to be available at the [NJEDA Online Application Center](#) starting in October 2022. Applicants can create an account at the NJEDA Online Application Center [here](#) any time, which allows you to apply for several NJEDA programs with a single account. The Child Care Facilities Improvement Program application will not be viewable on this site until it is launched, which we expect will be in October 2022.

77. If I speak another language other than English, can I receive a translated version of the Child Care Facilities Improvement Program application?

Applications will be available in English and Spanish. If you require assistance in a different language, please send NJEDA your name, spoken language, and telephone number to languagehelp@njeda.com to receive assistance completing the application.

78. What kind of proof and documentation will I need as part of the application process?

A detailed list of required documents and other related information can be found [here](#).

79. *NEW* I am a religious affiliated child care center who serves children under 4 years old. On the Religious Affiliation Questionnaire, am I considered a school? Do I need to submit my curriculum?

If you use a curriculum with your children under 4 years old, you should submit it with your application. If you do not have a written curriculum, you may need to provide a description of any religious instruction or activities in your daily schedule. Applicants may be asked to submit additional information at the request of the NJEDA.

80. *UPDATED* Is the Child Care Facilities Improvement Program first come, first served?

NJEDA will begin the review process for applications on a first come, first reviewed basis from when they are initially submitted, beginning from the date and time the program application is open to the public. Applications will move through several stages of review with ongoing communication between NJEDA staff and the applicant on a rolling basis. Applicants with complete applications will likely move through this process faster than those that need to resubmit materials or answer multiple clarifying questions, so we encourage applicants to submit applications after all pieces outlined in the Application Quick Start Guide (available [here](#)) are substantially complete. In each stage of application review, applicants will have up to 10 days to respond to NJEDA staff and any requests for additional information. Any approval of funding for a specific application will be based on NJEDA completing its review and verifying all necessary information has been received and the applicant and project meet all eligibility criteria. Applications will be accepted until all funding is committed, or three (3) years after the date of application launch, whichever is sooner.

81. Do I have to pay a fee to apply or provide matching funds?

Due to the extreme financial hardship experienced by child care providers during the COVID-19 pandemic, the NJEDA will not be collecting any application fees or requiring matching funds for this program. For more information on the limitation on external funding, see Question 34.

82. If I am renting my facility, do I need to notify my landlord of any improvements?

Yes. If applicants lease space, they will be required to submit a copy of their lease and a certification from the landlord that they have reviewed and approved the proposed facility improvement(s). Proposals for leased space without landlord approval and certification will not be approved. In other words, simply notifying your landlord of your plans is not sufficient. The landlord must complete and sign the certification form. Landlords are not eligible to apply directly for this program.

83. Are you offering any support or technical assistance (TA) to complete the application?

Resources for providers will be available on the NJEDA Facility Improvement Program page [here](#). For assistance, potential applicants may also reach out to CustomerCare@njeda.com, call (844) 965-1125, or use the Customer Care chat feature found on the NJEDA website.

84. *UPDATED* Will there be any informational sessions or webinars for applicants outlining the program and application process?

Yes. NJEDA hosted two webinars:

- Thursday, September 15, 2022 from 10:00 – 11:30 am
- Monday, September 19, 2022 from 6:00 – 7:30 pm

A webinar recording can be found [here](#). The PowerPoint presentation can be found [here](#).

85. NEW ¿La aplicación y otros materiales estarán disponibles en español?

Sí, la aplicación estará disponible en español cuando se publique, lo que esperamos sea en octubre de 2022. Todos los materiales de planificación del solicitante también estarán disponibles en español y se pueden encontrar aquí.

86. How long will it take for my application to be approved?

NJEDA staff will be reviewing for completeness and alignment with the program's eligible uses during several stages of review. If NJEDA staff have questions during each stage, they will follow up with applicants, who will have up to 10 days to respond and/or resubmit any needed materials or documentation. Applications may be declined for unresponsiveness to NJEDA's request(s) for additional information. Please note that a third-party external firm will review project costs to assess cost reasonableness.

87. NEW Can part of a project be denied?

Yes. For example, if an applicant submits a project that includes both eligible uses and ineligible uses, only the eligible uses would be approved.

88. What are some reasons applicants may not be approved?

Applications may not be approved based on a program's inability to meet eligibility criteria or due to misrepresentation of application information. Some reasons may include, but are not limited to:

- Does not meet the minimum eligibility requirements
- An incomplete application (missing documents, answers left blank, etc.), if not corrected within 10 days after NJEDA staff reach out to collect missing information
- Applicant's license has been suspended or revoked and/or is not in good standing with required state and federal entities

89. UPDATED What happens if I sell or close my child care center less than 4 years after the facility improvement is completed? Do I have to repay the grant?

Child care providers must adhere to all the requirements listed in Question 6 including remaining operational and licensed for 4 years at the location of the facility improvement, or they may face repayment of the grant in full or in part. In the case where a program is sold and the site's DCF license remains the same, all the grant terms will need to be met. The NJEDA also understands there are unforeseen circumstances and emergencies and keeping a facility open is not always possible. In these cases, providers should notify the NJEDA in writing as soon as possible so a determination can be made around repayment.

Grant Awards

90. How will I be notified of my award?

Applicants will be notified of the approval stating the level of funding (as a not-to-exceed amount) available for the proposed project and will execute an agreement with NJEDA. After signing and executing the agreement, providers will then have 90 days from the execution date to enter into a separate agreement with the Public Works Registered Contractor(s) whose quote was included in the application.

91. *UPDATED* What happens if my project exceeds expected costs? Is the 15% on top of my expected costs?

Grants will be calculated based on the quoted project cost of the facility improvement, including soft costs, plus an additional 15% which the grantee may use, upon request and NJEDA verification, for unanticipated cost overruns. For example, you apply and are approved for a \$100,000 grant. NJEDA will hold an additional \$15,000 aside for cost overruns (so, a total of \$115,000 will be set aside). You may determine additional funds are needed to complete your project, so you will submit a request to NJEDA and if approved, NJEDA will draw down from the \$15,000 for those additional costs. Please note you will not be able to propose additional project costs at a later date.

92. *How will grant funds be disbursed?*

When necessary to start construction, NJEDA will disburse deposits prior to the start of construction to the contractor directly, upon receipt of invoices signed by the child care provider.

Prior to the start of construction, NJEDA will schedule a pre-construction meeting with the grantee and their contractor to re-affirm requirements under this grant, including prevailing wage and affirmative action requirements.

NJEDA will disburse subsequent payments directly to the contractor for the duration of the project upon receipt of invoices. Invoices must include photos demonstrating construction progress and a signature from the child care provider affirming that work has been completed to their satisfaction. Payments to each contractor will be disbursed no more than once per month per location. Costs for FFE will be reimbursed to grantees directly.

With the exception of the initial deposits, no payment will be disbursed without confirmation that work has been conducted in accordance with prevailing wage, affirmative action requirements, and other state and federal requirements.

Final payment will not be disbursed until NJEDA has conducted a site visit to confirm the work has been completed and is in compliance with prevailing wage, affirmative action requirements, and other state and federal requirements.

93. *When can I start the project?*

After the grant agreement has been executed with NJEDA and the provider has signed a separate agreement with their Public Works Registered Contractor(s), the NJEDA will schedule a pre-construction meeting with the provider and their contractor(s) to verify prevailing wage, affirmative action requirements, and other monitoring requirements. Following this, a start date will be agreed upon by the contractor(s) and the NJEDA. Grantees will have up to one (1) year from the execution of the grant agreement with the NJEDA to begin the facility improvement project.

94. *Do I need to notify the New Jersey Office of Licensing about my project?*

Please refer to the New Jersey Department of Children and Families [Manual of Requirements for Child Care Facilities](#), Subchapter 5 Facility Requirements for these regulations and requirements.

95. *When do facility projects need to be completed?*

Grantees will have up to one (1) year from the execution of the grant agreement with the NJEDA to begin the facility improvement project. Projects must be completed within one (1) year of construction start, with possibility for extensions at the request of the child care provider and at the discretion of the Authority.

96. *NEW* What happens if something unexpected comes up during the construction project? Could the budget and/or timeline be adjusted?

Grantees will be able to request from NJEDA an additional 15% of eligible project costs to account for cost overruns and unexpected work. For example, if your grant award is \$100,000 then you would be able to request up to \$15,000 should

your project need it. Adjustments to project timelines may also be requested and will be reviewed and approved at the discretion of NJEDA.

97. *Will I be audited?*

All applicants that are approved for funding from any of the American Rescue Plan Act grants, including the Child Care Facilities Improvement Program, are required to keep a record of receipts for at least five (5) years. Accepting a grant does not mean that you will automatically be audited.

98. *NEW Is this a taxable grant?*

NJEDA cannot provide tax advice. Please consult with your accountant or your tax preparer.

Miscellaneous Questions

99. *Who do I contact with additional questions?*

Potential applicants may reach out to CustomerCare@njeda.com, call (844) 965-1125, or use the Customer Care chat feature found on the NJEDA website at www.njeda.com.

100. *How do I apply to Grow NJ Kids?*

All Grow NJ Kids business is conducted in the New Jersey Child Care Information System (NJCCIS) and an account is needed to enroll. Detailed instructions on how to enroll can be found [here](#).

101. *NEW What if a child care provider enrolls in Grow NJ Kids but does not complete the process or doesn't get in?*

The requirement for this grant is that child care providers must commit to enroll in Grow NJ Kids within one (1) year of executing a grant agreement with the NJEDA.

102. *NEW Can NAEYC Accreditation be substituted for enrollment in Grow NJ Kids?*

No, applicants must commit to enrolling in Grow NJ Kids within a year of executing a grant with NJEDA.

Glossary

Child care centers

- Child care centers provide care for six or more children below 13 years of age who attend less than 24 hours a day. They are required to be licensed by DCF.

Eligible Uses

- The Child Care Facilities Improvement Program grant will cover projects between \$50,000 and \$200,000 for specific interior and exterior improvements to the child care facility. A full list of eligible uses be found [here](#). A single project can be made up of multiple eligible uses. For example, Devon's Child Care Center's project includes installing child sized toilets, installing child sized sinks, and painting a classroom. All of these would be considered one (1) project since it is completed at one facility, with three project eligible uses. As another example, Happy Kids Child Care Center's project includes replacing the outdoor climbing structure, making the egress to the playground ADA compliant, and installing new lighting in the Infant room. All of

these would also be considered one (1) project since it is completed at one facility, with three project eligible uses.

For-profit businesses

- Sole proprietorship, partnership, LLC, or corporation

Full-day child care

- Child care provider that offers care for 6 or more hours per day

Grow NJ Kids

- Grow NJ Kids (GNJK) is New Jersey's Quality Rating and Improvement System for child care providers, a state-sponsored initiative to raise the quality of child care and early learning throughout New Jersey. It is part of a national effort to assess and improve programs while helping parents make informed decisions about their child care options. To learn more about GNJK, visit www.grownjkids.gov.

Infants and toddlers

- Children under 2 ½ years of age

Nonprofit organizations

- Organization with an IRS Exemption Determination Letter and Certificate of Incorporation and Bylaws

Religiously affiliated

- Involved in religious activities or affiliated with a religious organization, faith, or religion

Registered family child care providers

- Also known as family child care homes or family day care homes. Private residence in which child care services are provided to no fewer than three and no more than five children at any one time. Registered with the Department of Children and Families.

Project

- All construction and demolition; labor and installation associated with facility improvements; Furniture, Fixtures & Equipment; shipping costs, and soft costs at one facility location/site is considered one (1) project, which can consist of multiple goals. Combined project costs may not exceed \$200,000.

Project costs

- Includes "hard costs" for labor and materials as well as "soft costs" for architect fees, permit fees, construction management, environmental assessment, or freight, shipping, and delivery. Project costs include all activities at a single site and can consist of costs for multiple eligible uses.

Public Works Registered Contractor

- A contractor who has registered with the New Jersey Department of Labor and Workforce Development. All Registered Contractors are listed [here](#). Only Registered Contractors can bid on or engage in performance of any public works project, including construction projects funded by NJEDA such as the Child Care Facilities Improvement Program. Registered Contractors must abide by prevailing wage rules and affirmative action requirements, as applicable.