

2024 Child Care Business Incentives

Q&A document from Informational Webinar – December 3, 2024

Question #1

Can the applicant be a non-profit or a COG (Council of Governments)? - *Please refer to the Notice of Funding Opportunity to determine eligibility for applicants. ([link](#))*

Question #2

Are private individual (non-business) donations eligible for the match? If not, what are the work arounds? - *In-kind or volunteer expenses are not eligible under this grant award. Monetary donations to the business may be utilized for match expenses; however, the expense documentation must be from the awarded business.*

Question #3

What if you don't have 50% enrollment? - *To remain in compliance of the award, businesses must retain at least 50% of enrollment capacity throughout the federal interest period as stated in the Notice of Funding Opportunity, which is for five years after the performance period. Failure to provide evidence of this requirement may result in a default of the award.*

Question #4

Does the applicant have any financial or legal liability regarding the project being completed or complying with federal requirements? - *Yes. If awarded, the applicant would have to adhere to the financial and legal responsibilities associated with the award. ([link](#))*

Question #5

Is it allowable for the contract with general contractor to be directly with child care facility? Or does this have to be with the business? - *If awarded, the applicant/business will be considered the subrecipient of the award, and is the entity required to be under contract with the general contractor.*

Question #6

Do you not qualify if you don't have the 50% match of funds? - *All awards are required to have the 50/50 match requirement. No grant funds will be released to any awardee until after the match requirement has been validated.*

Question #7

Do floor plans and Fire Marshall inspection have to be approved before the grant is submitted? - *No, the grant submission through Iowa Grants is not dependent on approvals of a floor plan. That process would occur after awards are announced. All projects must be completed, licensed as a child care center by the State of Iowa, open for operation and grant funds expended by June 30, 2026*

Question #8

Can the applicant be the childcare center, or does it have to be the supporting business? If

construction and bidding are already getting started, is it too late? Or, if the procurement process was followed, is it still possible to apply? - *The applicant must be a business not in the primary business of providing child care, so therefore a child care center with that function would not be eligible. The period of performance for this award begins February 15, 2025 (the specific timeframe during which a recipient of the grant is authorized to complete the work outlined in the agreement)*

Question #9

As a school district, we provide education as our primary purpose, but we also provide child care for before and after school. It seems we are eligible based on that; however, our main purpose is to provide child care to the general public rather than our employees. Our employees can benefit from the program if their children attend our school district. Are we eligible to apply for this grant? - *A school district that operates a licensed child care program, such as a before and after school program, is still eligible to apply. A school district is not considered in the primary business of providing child care. However, the primary intent of the award is for the business/applicant to build a child care center which will provide child care services for direct employees of the business/applicant. Child care slots available to the general public is considered a secondary function. Proposals with the primarily focus of providing child care to the general community without a focus on employees, does not meet the intention of the award, and therefore may not be scored as high.*

Question #10

If we are renovating and adding additional slot and need additional funding to finish due to unforeseen building maintenance issues, will we be eligible to apply? - *The period of performance for this award begins February 15, 2025. Expenses for activity that occurs prior to this period would not be considered eligible.*

Clarification of the match expense requirement:

The award does require a 50/50 match, which means, if a business is awarded \$500,000 in grant funds, the business must submit an additional \$500,000 in matching expenses prior to grant funds becoming available for reimbursement.

The \$500,000 matching expenses must document that the awarded business paid for those expenses directly; however, the business determines where the funding for the matching expenses comes from. Those funds may come from various originating sources such as business reserved funds on hand or monetary donations. As an example, if a business receives a monetary donation from the community to assist with funding the project and chooses to use those donated funds to pay the matching expenses, that would be considered allowable as long as the business provided evidence the expense came from and was paid by the awarded business. In most all cases, IWD will not be requesting information of where the funding source originated from but may in such cases where matching funds may have been paid by using other grant funds.