

# Child Care Restoration Grants

## Monthly Reporting FAQ



### General:

- 1. The Federal Grant received was designated for May and June. We put a lot of money to the center for March and April. Can any of this be used to recoup that financial loss by adding it to the July report?**
  - No, these funds are designed to offset revenue loss due to reduced licensed capacity in your program and can only be used to expenses incurred for the months of July, August & September.
- 2. Are grant funds taxable?**
  - Yes, and appropriate tax forms will be provided.
- 3. How do we report expenses for July if the grant was not awarded until the end of July?**
  - The reduced licensed capacity was in place on July 1st. A condition of this grant is that you were open and serving children. If you were open, you will retro-actively account for your expenses/lost revenue starting July 1st.
- 4. When reporting total revenue and expenses, should they be all agency revenue and expenses or only revenue and expenses related to child care programs?**
  - Yes, please list all business revenue and expenses, those related to the grant and those unrelated to the grant. If your business runs other programs besides a child care program, only list the revenue and expenses for the child care program.
- 5. When reporting our expenses, should we try to only claim expenses up to the monthly amount we were awarded, or claim all expenses even if it's more than we received for the month?**
  - Claim all expenses, even if not covered by the grant or any other revenue source.
- 6. July & August reporting is due September 15th?**
  - Yes, July & August reporting is due September 15th. September reporting will be due October 15th.
- 7. If you received \$9000 total for the 3-month period, do you have to spend \$3000 each month or just the entire \$9000 at some point during the 3-month period?**
  - We encourage you to as much as possible spend the \$3000 in each month. If you don't spend the first-round grant funding by 9/30 then this could affect the amount of your second round of grant funding.
- 8. Funds must be spent by 12/31 or the end of grant period 9/30?**
  - First round grant funds are for three months July, August & September. Spend funds by 9/30. If full first round funds are not expensed by September 30, 2020 you may be asked to repay the funds.
- 9. Are we using a cash basis or accrual basis? If I purchase PPE on a credit card in August but don't pay the credit card bill until September, what month do I claim the expense in?**
  - Claim expenses when they were incurred. So, if you charged PPE to your credit card in August, those should be claimed as August expenses on your budget reporting form.
- 10. Will we be able to use grant funds to replace school savings that we had placed aside for taxes that we had to use to stay open May-August?**
  - No, grant funds are specific to revenue loss and/or expenses incurred during the months of July, August and September. These funds are not meant to supplement funds lost earlier than the first award period (July, August and September).
- 11. Does the email address for the budget report have to be the email address connected to our Gateways membership? Or can it be a different one?**
  - No, the main contact listed in the monthly reports can be different than the one listed on the Director Portal.

12. **If we are receiving private pay that falls short of covering expenses, does the CCRG grant only cover the difference? OR can we expense salaries etc. against the full amount of the grant, and save Private Pay funds against future expenses or shortfalls?**
  - Yes, you can expense all salaries toward the full amount of the grant as long as those staff are not covered by other grant or federal relief funds and save private pay funds to pay for expenses not covered by the grant.
13. **The person in our program that would need to complete the reports is not someone that we would normally provide Director Portal Access to. What option is in place to grant limited access to someone to complete these duties?**
  - Please contact the Registry help desk at [onlinehelp@inccrra.org](mailto:onlinehelp@inccrra.org) to add an additional contact to the Director Portal access for your program.
14. **You are asking for a July report. We did not receive funds until the end of August. How should we fill out the July report?**
  - A condition of the grant is that you were open and caring for children under the reduced capacity issued by DCFS. Even though you didn't receive the grant till August, you still incurred expenses and revenue loss as of July 1st (or whatever date you opened your program). So, retro-actively claim those expenses and losses in your July budget reporting form.

## **Revenue:**

1. **Do other revenue sources include parent paid tuition?**
  - Yes.
2. **What if you show a profit after CCRG funds and other revenue sources for the month? Will that be held against you?**
  - No, it would not be held against you if your business shows a profit. Your information helps us to understand how COVID is impacting the child care field and what we can do to help minimize the loss for all providers.
3. **What if you received unemployment for July, is that considered other income?**
  - Yes.

## **Salary:**

1. **For Salaries, do you want the gross amount or the net amount?**
  - List the full amount of your cost for salary for your staff. Fringe benefits are also allowable costs but are reported separately on the budget reporting form.
2. **Can you use the cost for hiring a staffing agency to stay properly staffed due to COVID related issues?**
  - Yes.
3. **Can the entire grant be used toward center staff salary, or do we have to use the funding in multiple categories?**
  - Yes, the entire grant amount in a monthly period can be used solely on salaries as long as staff salaries are not covered by another funding source, like Head Start or Preschool for All.
4. **How does a family child care owner account for their salary, draw or pay?**
  - We understand this reporting is different for home providers. We know you are used to 'owners draw' or distribution or income and expense and profit/loss. The CCRG expense report is not an official tax document. It is a reporting form that allows us to see how the grant funds are being used. For purposes of grant reporting, you should spend the grant on expenses first and then pay the balance to yourself under salaries. For example, you receive a monthly grant amount of \$1,000. You have PPE expenses of \$150 and rent/utilities expenses of \$650. Enter those expenses in the appropriate place in Column C of the form. The balance of the grant, \$200 can be entered as salary for you.
5. **Can we use grant funds to pay all salaries, or only the salaries up to the money lost for the reduced student occupancy?**
  - Grant funds can be used to pay all salaries for the month.
6. **Can operators be considered staff? Can we pay ourselves?**
  - Yes, you can pay yourself. Show the amount in Salaries.

7. **If an administrator took a salary cut because we did not have the funds, could we reconcile with back pay? If an owner did not take any pay because we were operating at a deficit, can we reconcile with back pay? Ideally, we would have kept the money for future center use, but we are hearing we need to spend the money, and we may be in a position later where we need to reinvest.**
  - You cannot use grant funds to cover expenses incurred (or salaries skipped) prior to July 1st. Expenses/revenue lost can only be claimed for the grant period of July, August and September.
8. **How do you want home providers to show proof of payment to self?**
  - Payment to yourself should be included in the salaries line of the budget reporting form. We would look to the 2020 tax return showing the grant as income.
9. **Can you spend the grant on payroll taxes?**
  - Yes. payroll taxes are part of the salary expenses and can be included in what you claim.

## **Fringe Benefits:**

1. **What exactly qualifies as fringe benefits?**
  - Fringe benefits are commonly known as non-wage compensation benefits. These often include health insurance, retirement plans, family and medical leave, etc.
2. **Do salaries include employer portion of FICA, Medicare and health insurance?**
  - FICA, Medicare and health insurance should be claimed in fringe benefits and can be covered by the grant.
3. **Can salaries include health care benefit costs?**
  - Health care benefit costs should be listed under Fringe Benefits.

## **Travel:**

1. **Would a bus count for COVID as it keeps our school age students socially distanced from other students?**
  - If you have a contract for a bus to allow for transportation of school-age students and/or to use as an 'extra classroom' in order to provide social distancing and e-learning for part of the day, this expense can be paid by grant funding.
2. **Are we able to claim our car notes?**
  - Car notes, or new car purchases are not an allowable grant expense.

## **Occupancy:**

1. **What Category would mortgage fit into?**
  - Mortgage can be listed in occupancy costs and is an allowable expense.
2. **Is rent the only acceptable occupancy cost or is Mortgage acceptable as well?**
  - Both rent and mortgage are allowable expenses.
3. **Due to financial issues, we were unable to pay rent in July. However, we made up for it in August. The July rent was paid, but the check was written in August.**
  - Claim July rent as a July expense even though the actual payment was not made until August due to hardship.
4. **Which utilities are covered?**
  - All utilities needed to operate your program are allowable expenses and should be claimed under 'occupancy'.
5. **What are examples of occupancy costs? And is there a certain percentage of this cost that can be claimed as CCRG Funds?**
  - Occupancy costs cover rent, mortgage and utilities. There is not a certain percentage that must be claimed for occupancy costs.
6. **Do property taxes and CAM count towards occupancy costs?**
  - Yes. it should be claimed under 'occupancy costs' on your budget reporting form.
7. **Can we include business insurance payments as occupancy cost?**
  - Yes, you can claim under 'occupancy costs' on your budget reporting form.

8. **I just received notice that we're in need of a huge building repair. Can this be charged to these funds under occupancy?**
- Generally, no, unless the building repair is directly related to COVID, and you can provide proof of how this expense and repair was directly related to COVID. Otherwise, general building repair and maintenance are not allowable expenses.

### **Food Service:**

1. **Can 100% of food service expense be covered with grant funds?**
- Food services is not an allowable grant expense.

### **Supplies (Consumables):**

1. **What are some examples for consumable supplies?**
- If you are purchasing paper plates and cups due to COVID restrictions this could be an allowable expense. If you have had to alter your curriculum due to social distancing and additional supplies are needed to teach the children, that would also qualify as an allowable expense.

### **Cleaning/PPE Supplies & Testing:**

1. **Would additional cleaning services from a janitorial service to clean more times a day or to do deep cleaning fit into Contractual Services or PPE/Cleaning Supplies?**
- Yes, this is an allowable grant expense and can be listed in the Cleaning/PPE expense category.
2. **Can we use funds to buy staff new shoes to stay specifically at the center?**
- Yes. This expense should be claimed under 'cleaning/PPE supplies' and you must be able to demonstrate proof of purchase/use if asked for verification.
3. **If we purchased PPE items that were needed to reopen in June, can I claim the expenses against the grant?**
- No, the emergency stipends issued in April/May were designed to cover COVID-related expenses. Costs incurred prior to July 1st are not allowable for the CCRG.

### **Equipment:**

1. **About equipment, can you be more specific? We need extra desks, extra storages, extra toys, the toys are related because we need to have extra because we need to clean.**
- If the equipment needed can be directly related to COVID then it is an allowable expense.
2. **Will remote learning equipment for school age children at a center be allowed such as headphones, computer mouse etc. be allowed?**
- Yes, this can be an allowable grant expense.
3. **Are vacuum purchases an allowable expense?**
- Yes, if you are purchasing the vacuum to provide additional cleaning due to COVID.
4. **Does refrigerator count toward equipment if it is used exclusively to store student meal program meals?**
- No, this expense would not be directly related to COVID, and would not be an allowable grant expense.
5. **Can funds be used for tables, chairs, shelves, cubbies as a part of inventory?**
- No, items cannot be purchased to fill inventory. However, if tables, chairs, shelves or cubbies are needed to provide additional social distancing directly related to COVID than they would be an allowable grant expense.
6. **Would adding a phone intercom system to the rooms that are remote learning to ensure we can communicate more readily be allowable?**
- Yes. Due to public health recommendations and DCFS guidelines, random people entering classrooms during COVID-19 is not allowed, so installing a communication system would be an allowable expense.

### **Contractual:**

1. **We have secured a contract with a classroom communication app, so that we can communicate with parents since they are no longer allowed in the classroom, can we use this as a COVID expense?**
- Yes, because this contractual service allows for parent communication outside of the building directly related to COVID guidance this would be an allowable grant expense.

2. **If we had to change our technology and required outside assistance/consulting to do so (for example, moving to handsfree tuition payment and online tracking tools) is this a covered COVID cost?**
  - Yes, a technology change to provide parent services to promote social distancing and follow DCFS guidance directly related to COVID would be an allowable expense.
3. **Are improvements to the ERV (Air Exchange System), HVAC (Heating, ventilation, and air conditioning) or other air filtration systems considered an equipment or contractual cost and are they allowable?**
  - Yes, if the improvements are related to health and safety precautions due to COVID, they are allowable expenses. This expense should be listed in contractual.
4. **Is roof damage covered by the grant?**
  - No, this damage was not directly related to COVID and would not be an allowable grant expense.

### **Direct Administrative Costs:**

1. **What are administrative expenses covered by the grant?**
  - An example would be signage directly related to following the CDC/IDPH guidance on social distancing, face masks and handwashing. The cost of the signage is generally considered administrative and would be allowable under the grant.

### **Indirect Costs:**

1. **What, exactly are indirect costs?**
  - Indirect costs are those costs that cannot be directly attributed to a specific program or cost object. Some examples are, bookkeeping, audit costs, etc.

### **Narrative Report:**

1. **Can the narrative reports be started, saved and completed later?**
  - No, the narrative report must be completed at one time. The expense reporting form can be started, saved and completed later.

### **Record Keeping:**

1. **Are bank records sufficient for receipts?**
  - No, bank records are not necessarily enough documentation for an expense. Records should allow a trail from the expenses reported on the form back to the source document that shows the expense incurred. Generally, bank records would not be sufficient as the sole source of documentation.  
We would advise keeping a narrative with the expense report that explains the expense in more detail. For example, if a debit card was used to purchase PPE online three times during the month and the only record was the bank records, you should provide a backup narrative that provides the date of the purchase, where the purchase was made, how much of the transaction was for PPE. In general, that information would not be easily obtained from bank records.

### **Other Expenses:**

1. **Would an update of a fence be allowed?**
  - No, this is not directly related to COVID and would not be an allowable expense.
2. **What about a leaking roof, which is leaking into the classroom? Can using the grant for that be an allowable expense?**
  - No this is not directly related to COVID and would not be an allowable expense.
3. **We are looking to install an outdoor learning center to promote outside time for learning. Can this be claimed as a COVID related expense.**
  - No. Installation would be considered construction and is not an allowable expense under the CCRG.
4. **Can a repair to a playground matting be considered allowable that is being used more because children are not going off site on field trips?**
  - No. this is a general equipment repair and is not an allowable expense.
5. **Would replacing broken blinds for classrooms of children who are now doing remote learning from our center be an allowable expense?**
  - No.