

Child Care Stabilization Grant Spending and Documentation Guide

Overview

This guide looks at some of the different allowable expense categories for the Child Care Stabilization Grant and offers a sample of allowable purchases for each category. It also provides examples of different ways that you can document your expenses. You can use this tool as a way to get ideas for how to spend down your grant amount.

Program Amount and Add-On Amount

These are the categories of allowable expenses for the program amount and add-on amounts of the Stabilization Grant. We will review each of these categories, provide examples of the expenses and offer different strategies for documenting the expenses. Please keep in mind that the list does not capture all of the allowable ways that the funding can be spent.



Payroll/Benefits, Increased Labor Standards

This category covers expenses that are related to payment and benefits for people who work at your program.

Here are some examples of these expenses:

- Payroll for yourself
- Payroll for your employees
- Benefits such as medical, dental, and vision insurance for yourself or your employees
- Paid leave time



- Retirement costs and contributions

How can you document these expenses?

- Payroll and benefit records from a payroll report or a payroll ledger
- Employee timecards and pay stubs
- Employment Security Department (ESD) wage reports or Internal Revenue Service (IRS) wage reports for each employee
- Bank statements
 - Cleared checks from the bank
- Documentation of other benefits provided to child care staff members such as insurance statements or tuition reimbursement statement

Copayments or Tuition Waivers

Child care providers can also use grant funds to offer relief to the families who are enrolled in their program and are struggling to pay the fees.

Here are some examples of these expenses:

- Cover the application fee
- Pay for a month of a child’s care so that the family does not pay

How can you document these expenses?

- Keep records of the payments you receive from families for providing child care throughout the year after you receive your grant. If you offer financial relief to enrolled families, document all amounts of fees or tuition that you used grant funding for on behalf of the family(ies)
- You may create a form for the family to fill out to show that their fee or copay has been waived and paid for using your program’s grant funding

Rent or Mortgage, Business Operating Costs, Utilities, and Maintenance

You may use grant funds to cover any payments that you make for the space where your program is located. These can be related to rent or mortgage costs, maintenance or minor improvements to the facility, and services that allow the program to stay open.

Here are some examples of these expenses:

- Rent, mortgage, or lease payment
- Utility bills (heat, water, electric, internet, phone, garbage service, etc.)
- Business insurance
- Goods and services that are needed to run your business, such as:
 - Payroll or Bookkeeping Software
 - Business automation training and support services (e.g., child care management systems)
 - Materials for diapering and toileting
 - Materials for safe sleep

- Materials for play and learning
- Facility maintenance or minor improvements such as:
 - Renovating bathrooms
 - Installing ramps, railings, and other accessibility features
 - Removing non-loadbearing walls to create more space for social distancing
 - Replacing carpet with linoleum or another cleanable surface
 - Installing touch-free faucets or light switches

Remember:

Grant funds may not be used for major building or facility renovations, modifications, or additions that require a building permit. Any major building or facility adjustments that are made without a permit are not allowed.

How can you document these expenses?

- Mortgage/rent/space cost statements
- Utility statements
- Paid invoices and/or receipts for purchases of materials and supplies

Mental Health Supports for Children and Child Care Employees

Grant funds may be used for expenses related to the mental health and well-being of your children and employees.

Here are some examples of these expenses:

- Mental health consultations for you or your employees
- Mental health consultations for children in your care
- Buying mental health smartphone apps for you or your employees

How can you document these expenses?

- Receipts or paid invoices for these purchases

Food, Health, and Nutrition Activities

You may use grant funds to strengthen healthy eating and physical activity practices in your program.

Here are some examples of these expenses:

- Food and beverage services for meals provided by your program
- Groceries for snacks and meals for children in your care
- Purchase of equipment and materials to help you offer nutritious meals and snacks. This may include:
 - Appliances - refrigerators, freezers, mobile heated cabinets, microwaves, cook and hold ovens, stoves

- Child-sized dining sets with dishes, flatware, and supplies to measure child-sized portions
- Supplies to prepare fresh food – pots, pans, cutting boards, baking sheets
- Classroom materials (e.g., books and curriculum) and equipment to support physical activity (e.g., active play materials, outdoor play materials)
- Training related to nutrition best practices, food safety, and handling
- Training on physical activity and outdoor learning environments
- Facility improvement to support breastfeeding mothers and staff

How can you document these expenses?

- Receipts or paid invoices for these purchases

Health and Safety Training and COVID-19 Supplies and Equipment

Programs may use grant funds to purchase, replenish, or update equipment and supplies used in response to COVID-19, as well as training staff in health and safety measures.

Here are some examples of these expenses:

- Personal protective equipment (gloves, masks, thermometers, etc.)
- COVID-19 vaccine access (appointments, paid sick leave, transportation, etc.)
- Cleaning and sanitizing supplies and services (cleaning/disinfecting wipes, ventilation systems, vacuums, washer/dryer, bleach, hand sanitizer, professional cleaning and sanitizing services, etc.)
- Training and professional development on health and safety practices, and professional development training to meet state and local health and safety guidelines
- Classroom materials and equipment to support physical activity (books and curriculum, active play materials, outdoor play materials)
- Indoor and outdoor equipment and supplies (portable partitions, plastic shields, handwashing stations, disposable utensils and dishes, COVID-19 signage, etc.)

How can you document these expenses?

- Receipts or paid invoices for these purchases
- Paid invoices, receipts, and cleared check information for professional development trainings/registrations
- Employee timecards

Workforce Amount: Employee Raises, Recruitment, and Retention Activities

The workforce amount must be used to increase wages and benefits, and for recruitment and retention activities. This must go above and beyond regular payroll and benefits.

Examples of these expenses include:

- Bonus or incentive payment for your employees (or yourself, if you are a licensed family home owner/operator with no other employees)
- Sign-on bonus for new employees
- Employee healthcare premium or pre-paid annual deductible

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- Wage increase

How can you document these expenses?

- Payroll and benefit records from a payroll report (this report should also track bonus or incentive payments)
- Hiring documents, direct deposit forms, total hours worked, employee pay rate, tax deductions, etc. If you use a payroll company, you may have this information contained in a regular payroll report
- Employee timecards
- ESD wage reports or IRS wage reports for each employee
- Bank statements

Remember:

Keeping track of expenses is very important. If you are selected for Receipt Collection and Verification, you will need to send DCYF copies of all receipts and documentation on how you spent your grant award. If you do not send in receipts and documentation that show the grant was used on allowable expenses, you may need to repay part or all of the grant award to the State of Washington.
