

Child Care Services Start-Up Grants assist child care providers and programs who are soon-to-be licensed or have been licensed for less than six months with purchasing items or making improvements that are required by licensing or the Fire Marshall.

Start-up efforts are enhanced by comprehensive support from Child Care Wayfinder. Visit ChildCareWayfinder.org to learn about the one-stop navigation network for starting and growing child care programs in Minnesota.

FREQUENTLY ASKED QUESTIONS

1. Who can apply for Start-Up Grants?

Any program that is actively providing early learning services to children ranging in age from birth to school-age and was licensed for the first time within the past six months OR

- Is soon-to-be licensed with the Minnesota Department of Human Services (DHS) or Tribal Government and has been in contact with a licensor OR
- Is a new program (less than six months in operation) that is licensed or is licensed-exempt OR
- Is an existing program that is expanding to take more children as indicated on the license as an increase in licensed capacity or if the program is relocating

If licensed by DHS, a program must have no current negative actions. Licensing violations, such as a temporary immediate suspension or revocation, will prevent the issuance of a grant and/or cause withdrawal of a grant.

You may receive only one Start-Up Grant. A program cannot receive both a Start-Up Grant and a Regional Grant in the same fiscal year (July 1 – June 30).

2. How much money can my program apply for?

The limit for Start-Up Grants is \$2,000 for Family Child Care programs and \$3,000 for Child Care Centers.

3. What items can my program apply for?

Programs may apply for funds to support the start-up and expansion of child care and school-age care services. Please refer to the Grants Spending Categories and Eligible Items list included in this guide. All materials must be new and must be purchased from a retail company, an early childhood supplier such as Lakeshore, and not a private individual.

Any items purchased with this grant must be used in accordance with licensing requirements. Please contact your licensor if you have questions about a particular item meeting licensing requirements.

Child product safety information to guide expenditure eligibility or ineligibility can be found at these government resources:

www.cpsc.gov/Recalls

www.cpsc.gov/SafeSleep

playgroundsafety.org/wp-content/uploads/2025/10/NPPAS_PlaygroundSurfacing.pdf

www.cdc.gov/injury/features/child-passenger-safety/index.html

Minor Construction Projects: Grants may be used towards the cost of materials for outdoor play area fencing or other minor construction or renovations to the spaces used for child care as required by licensing to ensure child safety or meet other program standards.

In the event that a child care program wishes to have the cost of assembly and/or installation covered by a grant, the labor must be performed by a contractor following applicable state and local laws and regulations regarding registration and licensure. See dli.mn.gov/business/residential-contractors-remodelers-roofers for more information.

Technology: Programs may use grants for technology equipment, software to create, enhance and maintain business management systems, and related one-time subscription fees. This includes costs associated with accessing the internet, such as installation or equipment, and website start-up, maintenance, or ongoing subscription fees.

Eligible items for 100% business use will be funded at 100%. Items that are shared with a household or organization (such as a church) will be funded at 50%. The reimbursement rate depends on how the item is used and not the item itself. For example, in one program a refrigerator may be used only for child care food (business use only); and in another program it may be used for child care food and a family's food (shared).

4. What items are not eligible?

Due to a federal rule, Start-Up Grants may not be used for the following:

Major Construction or Renovations: Major renovation means structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility, or the extension of a facility to increase its floor area; or extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change. Funds may be expended for minor remodeling of the designated child care space and for upgrading the designated child care space to assure that providers meet state and local child care standards, including applicable health and safety requirements.

Religious-based Curricula, Activities, Materials, or Counseling: Child care programs are allowed to purchase and/or use religious-based curricula or items in their program if they choose, but they must use their own funds; they cannot use Child Care Services Grants.

Expendable Supplies: Expendable supplies (diapers, wipes, soap, paper products), except as it pertains to Personal Protective Equipment (cleaning products, hand sanitizer, masks) used for recommendations from the Minnesota Department of Health to keep children and staff healthy and safe.

Office supplies that are not directly used for early childhood quality improvement activities: Ink and paper used to print invoices for families would not be an allowed use of grants. Ink and paper used to print curriculum, worksheets, or a newsletter for families in the program would be allowed.

Child Care Development Fund (CCDF) federal restrictions can be reviewed online in the National Archives Code of Federal Regulations: Title 45 Subtitle A Subchapter A Part 98 Subpart F § 98.56(b)(1) Restrictions of the use of funds at [eCFR :: 45 CFR 98.56 -- Restrictions on the use of funds](https://www.ecfr.gov/current/title-45/subtitle-a/subchapter-a/part-98/subpart-f/section-98.56).

Grants are not allowed to be spent on items considered to be part of the cost of doing business (such as rent, utilities, taxes, bank service fees, and down payments).

In addition, grant funds are not allowed to be spent on child care tuition (scholarships), nor items prohibited by licensing.

Items are ineligible if someone employed by the program, or a relative of theirs, will benefit financially from the purchase. For example, purchasing toys from an employee who is a Discovery Toys representative.

5. If my program receives a grant, what requirements do I have to meet?

Your program will need to sign and follow the requirements of a Participation Agreement. Please read the agreement carefully before signing.

6. If my program receives a grant, how will my program receive the money?

All grants are paid on a reimbursement basis and after all requirements are completed.

7. When is this grant available?

It is available on an ongoing basis, subject to available funds.

8. How does my program apply for this grant?

Please contact your local Child Care Aware of Minnesota Grants Administrator for additional guidance about this grant funding. You must fill out the application form and mail it to the address listed at the end of this document.

APPLYING FOR A START-UP GRANT

Before Applying: Below is a list of steps to complete prior to completing your application.

- Create a Develop Membership ID (see www.developtoolmn.org for directions).
- If you are already licensed, be sure to link your Develop Membership ID with your program's Organization ID and list yourself as an employee.
- Please contact your local Grant Administer with questions or concerns.

Participation Agreement: Your program will need to sign a Participation Agreement that details all requirements. The agreement lays out the responsibilities of programs receiving grants. Please read the agreement carefully before signing

Expenditures: Be specific on your expenditure pages. Only items that were approved on your application will be reimbursed. If any substitution needs to occur, this **must** be approved by your local Grant Administrator, prior to making the purchase. A budget change can only occur once in a grant cycle.

Grant Application Review Process: Once you submit an application, it will be reviewed by a review committee. Each application is reviewed by three review committee members who recommend the items and the amount to be considered for final approval. A denial or award letter will be sent to you via email or U.S mail.

Training Requirement: Participate in 12 hours of training, approved by Achieve, which can be found on Develop (www.developtoolmn.org). All required training must be completed before receiving reimbursement. The cost of participating in this required training is your responsibility. However, you may choose to include the cost of the required training as part of the grant application by applying for dollars within the Professional Development category.

Two-Year Requirement: If you are awarded a grant, your program will be required to provide active licensed or license-exempt child care services in Minnesota for a minimum of two years from the date of your award letter. If for any reason your program ceases to provide active child care services within the required timeframe, you will be required to repay grant dollars on a prorated basis.

Reimbursement Timeline: All documents required for requesting reimbursement must be submitted by the date indicated on your award letter for Grant Administrator review. Grant Administrators have the right to:

- Ask for clarification (or pictures) of any grant item before approving AND
- Refuse reimbursement for any purchase that doesn't match the original request or intended purpose

Grant Payment Information: All Start-Up Grants are paid on a reimbursement basis after all requirements are completed.

Child Care Start-Up Grant Application Process – Review Carefully

1. Submit completed application and supporting documentation. This does not include receipts (**please do not send receipts with the application**). **Please note: Items requested to be covered by the grant (expenditures) should be items that you have purchased or will need to purchase in order to become licensed.** You can request that the grant cover costs associated with this as long as the items were (or will be) purchased within 6 months of your license effective date.
 - Must have had first visit with your licensor.
 - Can apply up to 6 months after your license effective date.
 - If not yet licensed, also need to submit a copy of the Fire Marshal report (if required to have a visit).
 - If licensed, a copy of your child care license is needed.
2. Application is sent to Grant Review Committee.
 - Identifying information is removed.
 - The committee determines the following:
 - If all items being requested are approved,
 - If any of the items being requested should be approved at 50% due to being items, that are shared with a household or organization.
 - The total amount to approve.
3. Application Decision
 - Grant amount will be determined based on responses from Grant Review Committee members.
 - Letter will be sent to application letting them know if grant has been approved, placed on the waitlist, or denied.
 - If approved, will state if there are any items that were not approved, any items that were approved at 50% funding and the total amount of the grant awarded. Will also have list of required items that need to be submitted for reimbursement.
 - If placed on a waitlist, this means that the Grant Review Committee approved the application but there is no funding available so the application should be able to be awarded at a later date.
 - If denied, will state the specific reason why.
4. Information and verifications submitted for reimbursement.
 - Will need to submit a completed invoice form and W9 (sent with award letter) as well as receipts for items requested on application and approved.
 - We try to have payments issued within 2 weeks of receiving all the verification needed. Please note, that if additional verification is needed, payment may not be issued within the initial two weeks of receiving the partial paperwork.

Things to Note

- The items being requested must be things required to become licensed.
- **All grants are issued on a reimbursement basis.** Reimbursement only occurs once a program has received their child care license. A copy of the license is required before reimbursement will be issued.
- Items requested on the application can be items that have already been purchased. Reimbursement can occur for any approved items as long as they were purchased within 6 months of the child care license effective date.
- Reimbursement can only be issued for new items and must be purchased from a retail store, not a private party (this includes Etsy).

Questions about this grant can be directed to Kelli Rohrer, kellir@caplp.org or 218-512-1580.



Child Care Services Start-Up Grant Application

Organization Name (as listed in Develop, if applicable): _____

Develop Organization Account # (if available): _____

((This # is different from your Individual Develop ID #. If a Develop Organization Account # is not available, please include a copy of your Develop Learning Record))

DHS License or Certification # (if available): _____

Tribal License #: _____

(If Tribally licensed, please include a copy of your Tribal license)

Program is license exempt: ☐

Program Type:

☐ Licensed Child Care Center ☐ Family Child Care ☐ School-based License Exempt Program

☐ Head Start ☐ School-age Only ☐ Certified Center

Original license date if licensed _____

LOCATION

Address: _____ City: _____

Zip Code: _____ County: _____

Phone #: _____

Mailing Address *(if different than above)*: _____

City: _____ Zip Code: _____ County: _____

Is the location shared with another organization/household? ☐ Yes ☐ No

PRIMARY CONTACT

Contact Name (First/Last): _____

Email Address: _____

Phone #: _____

PROGRAM INFORMATION

Anticipated Licensed Capacity: _____ Number of Classrooms/Groups: _____

If you have enrollment, please enter the number of children by age group for which you provide care. In addition, enter the number of children who need intensive support in each age group. A child should be counted as needing intensive support if they are from families experiencing poverty (at or below 200% poverty rate) or otherwise in need of special assistance and support, including children with diagnosed disabilities or developmental delays, who are dual language learners, who reside on American Indian lands, who are migrant, experiencing homelessness, or in foster care.

Total number of children currently enrolled: _____

Number of infants: _____	Number of infants who meet the criteria for intensive support: _____
Number of toddlers: _____	Number of toddlers who meet the criteria for intensive support: _____
Number of preschoolers: _____	Number of preschoolers who meet the criteria for intensive support: _____
Number of school-age: _____	Number of school-age who meet the criteria for intensive support: _____

Please fill out the section below if the information is known. If not known, it can be left blank. This information is for data collection purposes only and does not affect the scoring of a grant application.

Race of Children Enrolled

Number of American Indian/Alaskan Native: _____	Percent of enrolled: _____
Number of Asian/Pacific Islander: _____	Percent of enrolled: _____
Number of Black/African American: _____	Percent of enrolled: _____
Number of Hispanic/Latino: _____	Percent of enrolled: _____
Number of Bi/Multi-Racial: _____	Percent of enrolled: _____
Number of White: _____	Percent of enrolled: _____

Number of enrolled children speaking English as a second language: _____ Percent of enrolled: _____

What kind of programming will/is your organization licensed for? (*Select all that apply*)

- ☐ Part day (less than 5 hours per day)
- ☐ Full day (5 or more hours per day)
- ☐ Full week (5 or more days per week)
- ☐ Part week (less than 5 days per week)
- ☐ Evenings (after 6 p.m.)
- ☐ Weekends (Saturday and/or Sunday)
- ☐ Full year
- ☐ School year only
- ☐ Other _____

Have you spoken with your licensor? ☐ Yes ☐ No

Licensor's Name: _____

(*To apply for a Start-Up Grant, you must have had your first visit with your licensor*)

What date do you plan to open for business? _____

Has the Fire Marshall visited your location? ☐ Yes ☐ No ☐ Not required

(*If yes, include a copy of the Fire Marshall's report*)

(PLEASE DO NOT SUBMIT RECEIPTS WITH APPLICATION)

Detailed Description of Item Requested	Cost	Description of Use		Required by Licensing?	Required by Fire Inspection?
TOTAL (Required)	\$				

PARTICIPATION AGREEMENT

Program Responsibilities

I understand to be eligible to apply for and receive a Child Care Services Start-Up Grant, my program must have been licensed for the first time within the past six months, will soon be licensed and has been visited by the licenser, is a new program (less than six months in operation) that is exempt from licensing, or is an existing program that is expanding to take more children.

I understand that if my program knowingly submits false or fraudulent information during any part of the grant application process, my program will no longer be eligible for funds. Any funds reimbursed during this grant process would be required to be repaid and appropriate authorities would be notified.

Upon application and notification of funding award, my program agrees to:

- Provide active licensed child care in Minnesota for a minimum of two years from the date of the grant fund notification.
- Enroll interested families participating in the Child Care Assistance Program (CCAP) without discrimination if my program has vacancies.
- Not use funds to supplant expenditures for which there is another federal, state, tribal and/or local public funding source.
- Make services available to families regardless of race, color, creed, religion, national origin, sex, marital status, disability, public assistance, age, sexual orientation, or familial status.
- Participate in any requested surveys and report forms related to funding awards.

I understand the prior to receiving any funds, my program must:

- Register my program's Organization Profile in Develop, The Minnesota Quality Improvement and Registry Tool (developtoolmn.org); create and name classrooms on the Classrooms tab; and complete the number of children served at the time the application is submitted, including all questions regarding them.
- Ensure that all staff in a child care center or providers in a family child care home document their training and education in Develop. This means each person must:
 - Hold a current Individual Membership in Develop (including a Career Lattice step) AND
 - Identify you as their current employer by listing the MN DHS License ID# or Develop Organization ID# for your program AND
 - Be verified as an employee AND
 - Be connected to a classroom with the correct employment title.
- Complete the training requirements:
 - 12 hours of Achieve-approved training. Training must be completed by staff with Position Titles in Develop of Primary Care Provider, Director, Assistant Director, or Teacher.

Data Sharing

I understand that by signing this participation agreement, I am agreeing to allow Minnesota Department of Human Services to share information with contracted agencies for the following purposes:

- Administer the grant application process
- Analyze data on use of grant funds
- Analyze the effectiveness of the grant administration process

The data that could be shared about my program is listed below:

- All data submitted, on paper or via www.developtoolmn.org, related to my program's participation in grant activities and grant documentation, including all information in my Organization Profile.
- The Learning Records of any early education professionals who have reported employment my Organizational Profile in Develop.
- Information on purchases made with the funds.

- Information regarding the grant administration process, including fund reimbursement to my program.

Disbursing Funds

I understand that if my program is awarded a grant, funds are:

- Paid on a reimbursement basis after training requirements are verified, unless otherwise noted.
- Reimbursed **only if funds were used in the intended purpose** as per the grant application and award letter.

Print Name

Name of Program

Signature

Date

SUBMITTING YOUR APPLICATION

Fill out your application form completely in ink. Your application should be neat and easy to read and stapled together in order. Do not submit grant applications in folders or binders, professionally bound or store-bought.

1. Send in one complete packet, including the application with all required attachments stapled to it.
2. Keep one copy of the completed application form and all required attachments for your records. You will need to refer back to your application if you are awarded a grant.
3. Mail or email the original completed application packet to:

CAPLP Child Care Aware
891 Belsly Blvd
Moorhead, MN 56560
Email: grants@caplp.org

Checklist

Your application packet must include:

- ☐ The application form, including the participation agreement, with all questions completed.
- ☐ Copy of your current child care license (*if applicable*).
- ☐ Estimate or bid (*if applicable*). This is required for the installation of fences, windows, or construction, as required by licensing, or equipment assembly projects. If a child care program wishes to have the cost of assembly and/or installation covered by a grant, the labor must be performed by a contractor following applicable state and local laws and regulations regarding registration and licensure. See <https://www.dli.mn.gov/business/residential-contractors-remodelers-roofers> for more information.
- ☐ Pictures (*if applicable*). A picture from a catalog or online is recommended if the item(s) may be questioned by the reviewers.