

## Child Care Expansion Grant Policy Updated December 10, 2025

### Purpose

Pursuant to S1408 during the 2023 Session, the Idaho Workforce Development Council (“Council”) was directed to distribute funds to provide high quality child care in Idaho and shall provide grants to eligible child care providers as outlined below. The purpose of the fund is to encourage and enable businesses and employer consortiums to create and develop on-site, or near-site child care centers or partner with local and regional child care services to increase available slots for an employer’s employees (not at the expense of existing or available slots in the local area).

### Eligibility

An entity is eligible for the grant if it will directly provide high quality child care in Idaho and meets all of the criteria in this section.

- The entity must be authorized to conduct business in Idaho and in good standing with the Idaho Secretary of State along with any other applicable state or local government organizations, and must comply with all federal, state, or local requirements.
- An entity may be any of the following:
  - o For profit child care providers;
  - o Nonprofit/not for profit child care providers; and
  - o Employers (which shall include public and private entities).
- The entity must partner with employers to increase or expand child care capacity. Examples of employer partnership may include:
  - o Monetary contributions or donations/support of in-kind services necessary for the operation of the program (see examples in the Definition section below);
  - o Guarantee to sponsor slots on behalf of employers’ employees;
  - o Co-op/collaborative/coordinated enrollment model across multiple centers (not necessarily owned by the same entity) in one “system” to provide access to employees of the partners; or
  - o Other partnership arrangements, as approved by the Council.
- Must comply with local and state child care licensing requirements.
- Provide at least 50% cash and/or in-kind match.
- Show evidence through a business plan, or equivalent, that operations will be sustainable beyond the one-time investment of these grant monies. Examples can be found at <https://wdc.idaho.gov/child-care-guides/>.
- Provide care to children ages 13 years and younger. Provider does not have to serve all age ranges between 0 to 13 and may serve any age range between the ages of 0-13; however, program funds cannot be used to support children over the age of 13. An exception will be made for providers serving children with disabilities who are 14-18. Preference will be provided to applicants who are serving infants and toddlers.
- Preference will be provided to applicants who are serving communities with higher need based on data found at: <https://childcaregap.org/assets/onePagers/Idaho.pdf>.

### Exclusions

- Funds shall not support private school tuition or home schooling.
- Funds cannot be used for directly to service debt, satisfy a judgment or settlement, or contribute to a “rainy day” fund.
- Funds cannot be used as a tax offset.
- Funds cannot be used to match other federal resources.

### Fund Availability

The Workforce Development Council has \$15 million dollars under the American Rescue Plan Act (ARPA) to expand high quality child care in Idaho. \$4 million dollars is set aside until June 30, 2024, for small providers currently serving 12 or fewer children. All funds must be under contract by September 30, 2024.

- Maximum of \$15,000 per child served is available to applicants to support the addition of new seats.
- If funding is available, Council may award additional funds above the application request amount, within the maximum of \$15,000 per child served.
- 50% minimum cash and/or in-kind match is required. In-kind match must be calculated at fair market value. Applications may score higher if additional match is provided.
- The Child Care Expansion Grant Review Committee shall develop a rubric to use in scoring proposals.

### Applications

Applicants must provide at a minimum:

- Proof that eligibility requirements have been met.
- A business plan (example found at <https://wdc.idaho.gov/child-care-guides/>) showing that the entity will meet all state and/or local licensing (including background checks), insurance, facility, programming, and a plan for sustainability beyond the one-time grant funding period.
- Description of partnership with employer(s).
- Detailed budget, budget narrative, and cashflow analysis for at least three years.
- Preference will be given to entities that focus on evidence-based programming and services and have parent engagement activities (see “High Quality Child Care” in the Definition section below). This includes the provision of training and ongoing professional development of staff.

### Reimbursable Expenditures

- Acquisition and/or renovation of buildings (any project that exceeds \$1M in capital expenditures requires additional written justification under the ARPA program)
- Rent
- Equipment
- Supplies
- Learning materials
- Staffing costs (including licensing and professional development)
- Other reasonable operating costs aligned to the business plan

### Contractual Terms

- Grantee must sign the grant agreement, after being selected for receipt of grant funds, and prior to receiving the grant funds.
- Grant term is one year.
- Grantees are required to submit quarterly reports during performance period, as delineated in the grant contract, and provide an update on facility operations two years after contract end date.
- Funds are made on a reimbursement basis for verified expenses only. An exception may be made for providers currently serving less than 24 children who could not move forward with their project without up-front funding. Documentation of the need shall be required. Approval for up-front funding will be at the sole discretion of the WDC. No more than 50% of the award will be provided for initial costs and no additional funds will be disbursed until the grantees provides all the necessary documentation to verify the initial expenditures. If the provider receiving up-front funding is unable to provide documentation to verify the initial expenditures, the Council will seek repayment of grant funds.
- The entity must stay in business for at least one year after the end of the grant period, or the Council may seek repayment of grant funds.
- Additional federal pass-through requirements including, but not limited to:
  - o Active registration in the System for Award Management (<https://www.sam.gov>);
  - o Compliance with Uniform Guidance including 2 CFR Part 200, Subpart E regarding Cost Principles;
  - o Single Audit Act (requires an audit for entities that expend more than \$750,000 in Federal awards during a fiscal year); and
  - o Civil Rights Compliance – must meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. The requirements include ensuring that entities receiving assistance do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity).

### **Performance Metrics**

The return on investment is measured by the total number of child care seats available two years after grant-funded entity's contract end date.

### **Definitions**

High Quality Child Care – The quality of care will be evaluated based on the Idaho STARS framework found at <https://idahostars.org/Child-Care-Providers/Steps-to-Quality>. A review of the child care incident history for existing providers will be conducted.

Provider – An entity that provides care and supervision compensation during part of a twenty-four (24) hour day, for a child or children, in a place other than the child's/children's own home. This does not exclude family or group child care provider types.

Employer Partnership Donations/Support – Examples:

- Offer of benefits (partial child care costs covered etc.) to employees who select employer-partnered child care provider.



## Meeting employers' needs today and tomorrow

- Employer/parent time donation for child care center needs (classroom volunteers, clean up days, stock food pantry etc.).
- Committed service days for center.
- Transportation services.
- Assist with child care provider employee licensing costs.

In-Kind Match – Refer to template.

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