



HOULTON BAND OF MALISEET INDIANS
SOCIAL SERVICES DEPARTMENT
13-1 CLOVER CIRCLE, HOULTON, ME 04730
TEL: 207-532-7260 FAX: 207-521-5924
TOLL-FREE: 1-877-532-7280

Tribal Chief
Clarissa Sabattis
Tribal Council
Beth Aucoin
Crystal L. Tucker
Catherine St. John
John W. Flewelling
Suzanne Desiderio
Joshua Toner

Houlton Band of Maliseet Indians

Tribal Child Care Program

American Rescue Plan (ARP) Act

Tribal Stabilization Sub-Grants for Child Care Providers

Frequently Asked Questions (FAQ's)

The American Rescue Plan Act was signed into law in March 2021, providing the Houlton Band of Maliseet Indians with additional funds designed to help stabilize the childcare industry as the Tribe continues to recover from the COVID-19 pandemic. The goal of providing financial relief to child care providers is to help defray unexpected business costs associated with the COVID-19 pandemic and to help stabilize their operations so that they may continue to provide care.

Below are answers to frequently asked questions regarding the Tribal Child Care Stabilization Sub-Grant funding.

Q1. Who is administering these funds?

The Houlton Band of Maliseet Indians Social Services Department's Child Care Program.

Q2. What types of grants are available?

Stabilization subgrants are available to qualified and eligible childcare providers to help promote, stabilize, and sustain the operation of the child care business sector.

Stabilization Sub-Grants can **only** be used for operating expenses.

Q3. What can funds be used for?

Funds **must** be used for purposes allowed under the Federal guidelines, including:

- Personnel costs, including payroll, salaries, similar employee compensation, employee benefits, retirement costs, educational costs, child care costs, and supporting staff expenses in accessing COVID-19 vaccines.
- Rent (including under a lease agreement) or payment on any mortgage obligation, utilities, or insurance; also, may include late fees or charges related to late payments.
- Facility maintenance or improvements, defined as minor renovations, including outdoor learning spaces/playgrounds, and minor improvements to address COVID-19 concerns.

- Personal protective equipment, cleaning and sanitization supplies and services, or training and professional development related to health and safety practices.
- Goods and services necessary to maintain or resume child care services.
- Mental health support for children and employees.
- Health and safety training for staff, including but not limited to CPR, First Aid, and medication administration.

Q4. Can I use the funds for construction or major renovations?

No, Funds may not be used for construction or major renovations. Major renovation means (1) 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 (2) extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change.

Q5. Do grant funds need to be paid back?

No, grant funds are not loans, so they will not need to be paid back.

Q6. How will I receive the grant funds?

Upon approval by The Houlton Band of Maliseet Indians Tribal Childcare Program, the payment will be submitted and processed by The Houlton Band of Maliseet Indians Tribal Finance Department, and checks can be picked up from The Houlton Band of Maliseet Indians Social Services Department or mailed.

Q7. Will child care providers have to submit receipts to show how funds were spent?

Providers will not need to submit receipts, but providers are required to submit a monthly expense report on how they are spending the grant funds. The report can be mailed and dropped off at The Houlton Band of Maliseet Indians Social Services Department, located at: 13-2 Clover Court, Houlton, ME 04730, or emailed to traymond@maliseets.com.

Providers are **required** to maintain records on how funds were spent as your program could be selected for an audit. Per federal regulation requirements, all recipients of federal funds need to keep financial documents for seven years.

Q8. Are the COVID-19 Stabilization Grants taxable?

Stabilization Grants are considered income by the IRS. The IRS has published information indicating that “receipt of a government grant by a business is generally not excluded from the business’s gross income under the Federal Tax Code and therefore is taxable.” Please consult your accountant or tax professional to understand more about your particular tax situation and how this guidance applies to your specific business structure.

The ARP Act does not exempt the ARP child care stabilization subgrant funding from taxation. Therefore, this funding is subject to the same tax rules as regular CCDF funding. State tax rules may apply. Regarding federal tax rules, please contact the Internal Revenue Service for guidance. In some cases, funds used to cover operating expenses may be exempt from taxation.

Q9. Will providers be receiving a 1099 for tax purposes?

Yes.

Q10. What are the funding cycles?

Stabilization subgrants are based on monthly operating expenses. As many of these stabilization expenses are recurring to support provider's stability, the Houlton Band of Maliseet Indians Tribal Child Care Program will award subgrants with recurring payments to providers through the funding period.

Q11. Is the data in the provider application about funding awards public information?

The Houlton Band of Maliseet Indians Tribal Child Care program will not use providers' confidential information for anything other than what's necessary for the purpose of the grant as permitted by law.

Q12. Under any circumstances, will I have to pay the funds back?

You may have to pay funds back if your program closes permanently and you haven't spent all the received funds, or you are using the funds for unallowable uses.

Q13. What are the consequences for providers who applied for and received funds not following the funding requirements?

If there is an indication that a provider isn't using the COVID-19 Stabilization Grant funds for the purpose laid out by the federal government, it could result in the termination of future grant payments, repayment of funds already received, and/or an audit.

Q14. What do I do if I have applied for a grant and need to change something?

Send an email to traymond@maliseets.com that includes your first and last name, Business Name, Business Provider ID, and the grant you want canceled or mail or drop off at the office. Your application will be cancelled, and you will be able to re-apply.

Q15. How long do I have to spend the funds I receive?

Stabilization Funds: Every 30 days (with Expense report due by the 5th working day of the following month)

Eligibility

E1. What type of child care programs qualify and are eligible to receive Child Care Stabilization Subgrant funds?

- Tribal Licensed family child care home providers
- Tribal Licensed exempt child home providers
- State Licensed child care centers
- Tribal Licensed preschool
- Tribally regulated school-aged programs

- In addition, the above eligible programs **must** be licensed, certified, regulated, or registered and CCDF-eligible and had to have been serving children and in operation before March 11, 2021 or the provider must meet CCDF eligibility, and all CCDF health and safety requirements that date of the application submission.

Qualified providers include child care providers that are open and available to provide child care services on the date they apply for a subgrant or are temporarily closed due to public health, financial hardship, or other reasons related to the COVID-19 public health emergency and plan to re-open in a timely fashion. They must meet applicable health and safety requirements and be in good standing throughout the funding period with the Houlton Band of Maliseet Indians Tribal Child Care program to remain eligible.

E2. What is required of child care providers who accept grant funds?

If you are an eligible provider interested in applying for the COVID-19 Stabilization grant, you must attest/certify to the items listed below each time you apply/renew. **(See Application)**

1. My facility is open and operating a Tribal licensed child care program, OR my facility is temporarily closed as per ME Department of Health advisement for COVID-19-related closure.
2. My facility will meet all child care rules and regulations according to my tribal license type.
3. My facility, when open and operating and available to provide child care, will implement policies in line with guidance from the Centers for Disease Control and Prevention (CDC) and with guidance and orders from state and local public health authorities.
4. For each employee at my facility on the day of this application, I agree that I must pay at least the same or higher amount in weekly wages and maintain the same or higher benefits for the duration of the grant period. I will not issue involuntary furloughs, layoffs, etc., throughout the subgrant period.
5. To the extent possible, I will provide relief from copayments and tuition payments for the families enrolled at my facility. I will prioritize such relief for families struggling to make either type of payment, including efforts to connect families to other assistance that may be available.
6. After award payments are issued, I acknowledge that I must report on how the grant funds were utilized at my facility. This report must occur within timeframes and in the manner specified by the Houlton Band of Maliseet Tribal Childcare program. I acknowledge that I am expected to participate in any financial and program monitoring related to this grant award, as defined and required by tribal law, to ensure the appropriate use of funds.
7. I understand that if my facility permanently closes during the subgrant period, I am responsible for immediately reporting the closure to the Tribal Childcare Program.
8. I attest that the information I provide about my facility in the grant application, to the best of my knowledge, is accurate and true for the purposes of determining the grant award amount.

E3. What is required of child care providers who accept grant funds?

Child care businesses are required to be open and available to provide child care services or temporarily closed due to public health, financial hardship, or other reasons relating to the COVID-19 public health emergency. They must meet applicable health and safety requirements and be in good standing throughout the funding period with the Houlton Band Child Care Program to remain eligible.

E4. When do providers have to be open in order to be eligible for grant funds?

Providers must be open and operating a Tribal licensed child care program on the day they submit a grant application.

E5. Under what circumstances can providers be closed temporarily and still be eligible for grant funds?

Temporary closure due to public health guidance issued for the Maine Department of Health or the provider's local public health department. The program temporarily closed days due to the primary care providers having a positive COVID-19 test result or close contact exposure.

E6. Do I need to pay my employees if my program is closed temporarily and still eligible for grant funds?

Yes, for each employee at my facility, I must pay at least the same or higher amount in weekly wages and maintain the same or higher benefits for the duration of the grant period. You also may not issue any involuntary furloughs, layoffs, etc. Through the duration of the subgrant period.

E7. Can I still receive grant funds if my child care program is under corrective action?

If your program is under a provisional license, intent to revoke or suspension, you are ineligible to receive grant funding. The tribal agency will re-evaluate eligibility once all non-compliant standards are corrected, and the corrective action has been removed from the program license.

Grant Application Process

G1. How do I apply for the Child Care Stabilization Grant?

Stabilization subgrant applications are available online at: [Houlton Band of Maliseet Indians | Littleton, ME \(maliseets.net\)](http://Houlton Band of Maliseet Indians | Littleton, ME (maliseets.net)) or at the Houlton Band of Maliseet Indians Tribal Child Care offices located at the Tribal Social Services department.

G2. What information and documentation are needed to apply for grant funds?

No additional documentation is required when initially applying for a stabilization subgrant award. However, providers will need to answer questions about enrollment, employment, and operating expenses, but no documentation will be required when you apply.

G3. How will the Stabilization payment be calculated?

Child care provider subgrant amounts must:

1. Be based on a provider's stated current operating expenses, including costs associated with providing or preparing to provide child care services during the pandemic and;
2. To the extent practicable, cover sufficient operating expenses to ensure continuous operations for the intended period of the subgrant.
3. A cost estimation model of estimated child care providers operating expenses will be used to determine the amount of stabilization subgrant awards. Childcare providers will need to state or confirm operating expenses with the budget tool provided by the Houlton Band of Maliseet Indians Tribal Child Care Program or have the option to provide their own calculations of operating expenses.

G4. Who is considered an employee?

- Any paid staff of the organization.
- For center or group programs- The individual listed on the license who oversees the day-to-day operations is considered an employee.

G5. Do I need to count myself as an employee in my grant application?

Yes.

G6. What do I do if I am having technical issues while applying for the grants?

Contact the Houlton Tribe of Maliseet Indians Tribal Childcare Office staff by phone at: (207)532-7260 or email any questions to the Tribal Social Services Director, Tanya Raymond, at traymond@maliseets.com Include your first and last name, business name, and the grant you are having difficulty applying for.