



New Jersey Child Care Facilities Improvement Program—Phase 2

Frequently Asked Questions (FAQ)

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General Program

1. What is the New Jersey Economic Development Authority (NJEDA or the Authority)?

The NJEDA is the State's principal agency for driving economic growth, working to carry out Governor Phil Murphy's vision for a stronger and fairer economy. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and foster innovation.

2. What is the New Jersey Child Care Facilities Improvement Program?

The goal of this program is to provide grants to child care providers for facilities improvements that will contribute to high quality early childhood learning environments. In July 2021 the NJ State legislature passed, and Governor Murphy signed, the Child Care Revitalization Act making an initial \$54.5 million available for this program. Additional funding was included in the FY23 budget establishing the Child Care Facilities Fund. As of March 2024, NJEDA's total investment in Child Care is almost \$110 million.

NJEDA launched Phase 1 for center-based providers in November 2022 and closed applications in October 2023. Phase 2 for family child care providers is scheduled to launch in Summer 2024.

3. What is Phase 2 of the NJ Child Care Facilities Improvement Program?

Phase 2 will provide grants between \$10,000 - \$20,000 for New Jersey Registered Family Child Care homes (FCCs) for the purchase of furniture, fixtures, and equipment (FFE) that will contribute to Health, Safety and Accessibility and/or High Quality Learning Environments.

Applicant Eligibility

4. Who is eligible to receive funding from Phase 2?

Eligibility is limited to Family Child Care Homes (FCCs) only. Applicants must meet the following criteria:

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- Registered with the NJ Department of Children and Families through their local Child Care Resource & Referral Agency
- Prior to approval be registered to do business in NJ and provide a Tax Clearance Certificate
- Must currently enroll or have enrolled in the 12 months prior to application submission at least one child receiving support through the DHS Child Care Assistance Program
- Offer full time care (a minimum of 6 hours/day, 5 days/week and 10 months/year)
- Be in good standing with:
 - NJ Department of Labor and Workforce Development
 - NJ Department of Environmental Protection
 - NJ Division of Taxation
- If not already enrolled in DHS' Grow NJ Kids (GNJK) quality rating and improvement system, commit to enrolling in the program within one (1) year of executing a grant agreement with EDA
- Commit to maintain registration with DCF to provide child care for at least two (2) years following executing a grant agreement

5. NEW What would make me ineligible for this grant?

The following would make an applicant **ineligible**:

- Not registered with DCF
- Offers part time care only
- Eligible to enroll children in CCAP, but no children enrolled at time of application or in the 12 months prior
- Employees of the State of NJ
- Has applied for or received a cannabis-related license

6. NEW What is a cannabis-related license?

A cannabis related license is what someone applies for if they plan to grow, manufacture, sell, distribute, or deliver cannabis or cannabis products.

7. How do I become a registered FCC?

FCCs provide care for five or fewer children below 13 years of age in the provider's private residence. Family child care providers may choose to become voluntarily registered through county [Child Care Resource and Referral Centers \(CCR&Rs\)](#) under contract with the Department of Human Services. Please contact your CCR&R to learn more. To obtain a copy of the Manual of Requirements for Family Child Care Registration, click [HERE](#).

8. How do I become a registered business in NJ?

Reminder: Prior to approval you must be registered to do business in NJ and provide NJEDA a Tax Clearance Certificate.

If you are not a registered business, there are important steps you can take in preparation for your application review.

1. Obtain a Federal Employer Identification Number (FEIN)
 - Any business with employees must first obtain a [Federal Employer Identification Number \(FEIN\)](#) from the Internal Revenue Service (IRS). You will use your [Federal Employer Identification Number \(FEIN\)](#) OR your Social Security number to register with New Jersey.

2. Obtaining Business Formation Documents & Registering Your Business:
 - Use the [Online Business Formation Service](#) when you want to form a new business in the state of NJ (LLC, Non-Profit, corporation, etc.)
 - Use the [Online Business Registration](#) form instead if:
 - a. You are looking to start a Sole Proprietorship or Partnership.
 - b. You have already formed/authorized your business in NJ and need to register for tax purposes.
3. Obtain a Tax Clearance Certificate from the Division of Taxation. This is only available for registered businesses, and processing can take a few days for a newly registered business.
 - For more information on obtaining your tax clearance use the link available below:

[NJ Division of Taxation - Business Tax Clearance Certification Required for Receiving State Grants, Incentives](#)

NJEDA plans to add additional resources on our website and offer webinars on the subject in the future. Please visit our website [here](#) for more information.

9. NEW Where can I get help to become a registered business?

- You can contact the NJ Business Action Center at www.nj.gov/state/bac; or
- Call 1-800-JERSEY-7; or
- Visit the New Business Website and Live Chat at <https://business.nj.gov>

10. NEW Do I have to be an LLC to be eligible?

There are many business types, but you do not need to be a specific type for this grant. More information on this will be covered in more detail in a future webinar or you can contact the NJ Business Action Center at www.nj.gov/state/bac or 1-800-JERSEY-7

11. NEW What is a Tax Clearance Certificate (TCC)?

A TCC demonstrates that a business is compliant with all tax liabilities and doesn't owe any outstanding tax.

12. NEW How do I get a Tax Clearance Certificate?

To obtain a Tax Clearance Certificate, you must be a registered business. Please find instructions [here](#). If you are already a registered business, please find instructions on how to obtain your TCC [here](#). You can email businessassistancetc.taxation@treas.nj.gov at any time for assistance as well.

13. What is the Child Care Assistance Program (CCAP)?

The Child Care Assistance Program (CCAP) helps income-eligible parents who are in school or working to pay for child care. Providers who are interested in participating in CCAP must be licensed, regulated, registered, or approved, meet DHS Division of Family Development requirements to qualify for funding, and comply with federal requirements, as the program is funded by the federal Child Care Development Block Grant. More information on CCAP can be found [here](#). Local Child Care Resources & Referral (CCR&R) agencies administer CCAP, including managing the agreements with child care providers and coordinating payments for services rendered. We know that subsidies are referred to in many different ways, so please check with your local CCR&R [here](#) to confirm your participation.

In some NJ counties this program is referred to as New Jersey Cares for Kids (NJCK). You may also know or refer to CCAP by the name of your CCR&R. The CCR&Rs in New Jersey are: 1) Bergen County Office for Children; 2) Burlington
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County CAP; 3) Camden County Department of Children's Services; 4) Child Care Connection; 5) Child Care Resources; 6) Child & Family Resources; 7) The Children's Home Society of NJ; 8) Community Child Care Solutions, Inc.; 9) Community Coordinated Child Care of Union County; 10) NORWESCAP Child & Family Res. Serv.; 11) Programs for Parents, Inc.; 12) Rutgers Southern Regional CCR&R; 13) Urban League of Hudson County and 14) 4CS of Passaic County, Inc.

14. What if I had a child receiving assistance from CCAP but they moved or enrolled in another program?

If the child was enrolled in the 12 months prior to you applying for this grant, you would be eligible. For example, if a child was enrolled through January 2024 and you apply in July 2024, then you would meet the eligibility criteria. NJEDA will confirm enrollment of children receiving assistance from CCAP with DHS.

15. **UPDATED** I accept children receiving CCAP but don't have one enrolled. Am I still eligible?

You must **enroll** a child receiving subsidy as of the date of your application or within the prior year tied to the date of your application. It will not be enough to just accept CCAP children. You still have time to enroll a child before submitting your application. NJEDA will confirm enrollment of children receiving assistance from CCAP with DHS.

Being authorized to accept CCAP does not qualify you for this program without enrolling a child in your program.

16. **NEW** Will you accept any other subsidy funding besides CCAP?

No. The grant requirement is specific to children receiving assistance from CCAP.

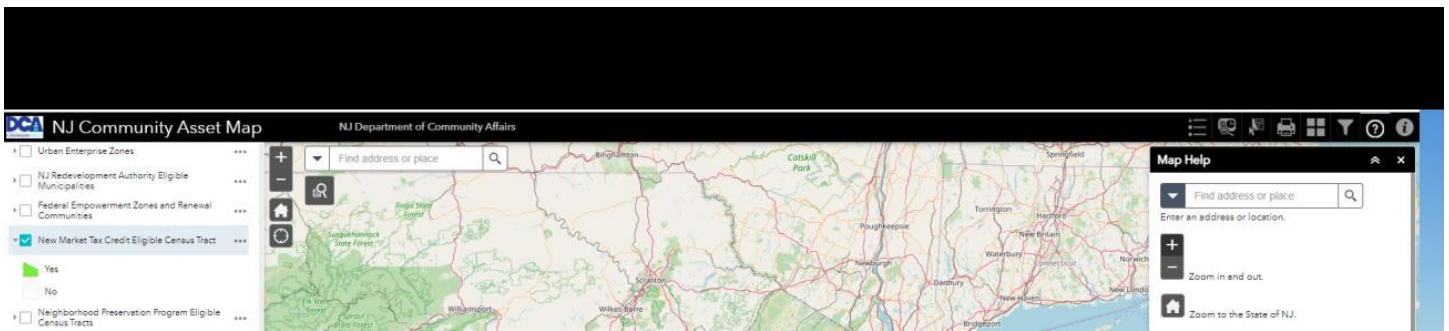
17. Do I have to participate in Grow NJ Kids at the time of application?

No. Once you execute a grant agreement with NJEDA, you will have one (1) year to enroll in Grow NJ Kids.

18. What is an Opportunity Zone eligible census tract? Is this based on the location of our facility or the home addresses of our students?

The NJ Child Care Facility Improvement Grant has set aside 40% of funds in Phase 1 for child care centers located in Opportunity Zone (OZ) eligible census tracts. Opportunity Zones are part of the 2017 federal Tax Cuts and Jobs Act to drive long-term capital investments into low-income rural and urban communities. A census tract with a poverty rate of 20 percent or higher or a median family income up to 80 percent of the larger area median is considered an OZ eligible census tract. If you'd like to know if you are located within an OZ eligible census tract use the [OZ Mapping Tool](#) and select 'New Market Tax Credit Eligible Census Tract' to determine if your location is in an OZ eligible census tract.

Children served at the site do not need to live in Opportunity Zones.



19. Can I still apply if my facility is not in an Opportunity Zone (OZ)?

Yes. While NJEDA is setting aside 40% of funding in Phase 1 for eligible child care providers located in OZ eligible census tracts, but providers are not required to be in an OZ eligible tract to receive funding through this grant. Please note that the OZ eligibility is based on the location of the facility, not the residence of the children served. If you are not located in an OZ, but serve children who reside in an OZ, you would not be eligible for the 40% set aside of funding for providers in OZs. But you would still be eligible for the broader program.

20. NEW I just opened my FCC. Am I still eligible to apply?

Yes. There are no requirements around how long you've been open. Keep in mind that to be eligible, you must enroll at least one child receiving assistance from CCAP when you submit your application. Becoming authorized to accept CCAP and enrolling a child who receives assistance through CCAP may take some time.

21. How long will the application be open?

NJEDA anticipates opening this application in Summer 2024. Applications will be accepted on a rolling basis until all funding is exhausted or until September 30, 2025, whichever is sooner.

Furniture, Fixtures & Equipment (FFE) Eligibility

22. What is considered as Furniture, Fixtures and Equipment (FFE)?

Furniture, Fixtures and Equipment (FFE) is defined as the moveable items for a building that have no permanent connection to the structure or utilities. In other words, if you remove an item of FFE it won't damage the structure of the building. The items may not be consumable materials like art supplies or paper goods and must have a lifespan of three years at a minimum.

23. What is an eligible FFE?

The program has two eligible FFE categories: **Health, Safety & Accessibility** and **High-Quality Learning Environments**. When preparing your list of eligible items, we encourage you to think about items you may need or need to update to ensure you are compliant with the DCF Manual of Requirements for Family Child Care Registration or consider feedback given from your last DCF Inspection report. You may also want to think about materials to meet criteria in the FCCERS-3 (Family Child Care Environment Rating Scale, Third Edition) which is used by Grow NJ Kids.

The table below is a **partial list of example** FFE. Applicants may propose FFE beyond this list, subject to the review and approval of NJEDA to ensure the requested FFE fits within one of the two eligible categories.

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Health, Safety, and Accessibility	High Quality Learning Environment
<ul style="list-style-type: none"> • Smoke detectors • Child-proofing mechanisms • Safety barriers for stairs • Replacing broken/hazardous furniture, fixtures, or equipment • Replacing appliances used in food storage, food preparation, or laundry for child care 	<ul style="list-style-type: none"> • Child-friendly furniture • Diaper-changing units • Sleeping cots/cribs • Stepstools for sink • Low shelving for play area • Soft/comfortable furniture • Rugs • Classroom materials • Playground equipment (not requiring installation)

24. **UPDATED** What is considered an ineligible cost?

NJEDA staff will determine whether requested FFE is eligible. Applicants will be allowed a cure period to substitute additional eligible FFE requests for any FFE deemed ineligible. Ineligible FFE requests will not be included in the grant award. Examples of ineligible requests include, **but are not necessarily limited to:**

- Items you have already purchased;
- Repairs, renovations, or construction;
- Installation requiring a construction contract, where the cost of the item being installed plus the cost of the installation is \$1999 or more;
- FFE that is not directly related to the care of children (e.g. a computer for the FCC provider to use for professional development courses or bookkeeping);
- Consumable items;
- Items with a lifespan of less than 3 years; and
- Proposed uses that do not improve health, safety, accessibility, or quality of the learning environment.

25. **NEW** Do I have to buy FFE from specific vendors?

No, you can choose the vendor you prefer.

26. **NEW** What will happen if the cost of approved FFE items goes up or down? Will I be responsible for the difference?

If the cost goes down, you would be able to use the remaining funds for another eligible item. If the cost goes up, you could choose to find a lower-cost alternative, choose not to purchase another item on your list, or choose to pay for the difference yourself. However, if the cost includes installation and the cost of the item plus installation goes over \$1,999, then the provider will be responsible for the entire cost of the item and installation.

Application Process

27. When will the application open? How long will it be open for?

The application is set to open in early Summer 2024 and will be available on the [Child Care Facility Improvement Program Phase 2](#) page and [the NJEDA Online Application Center page](#). Sign up for the [NJEDA newsletter](#) to be notified of program announcements and updates and check the [Child Care Facility Improvement Program Phase 2](#) page for updates.

28. Can I create an account before the application opens?

Yes. Applicants can create an account at the NJEDA Online Application Center [here](#) any time, which allows you to apply for several NJEDA programs with a single account.

29. If I speak another language other than English, can I receive a translated version of the Child Care Facilities Improvement Program application?

Applications will be available in English and Spanish. If you require assistance in a different language, please send NJEDA your name, spoken language, and telephone number to languagehelp@njeda.gov to receive assistance completing the application.

30. How will you process applications?

NJEDA will begin the review process for applications on a first come, first reviewed basis from when they are initially submitted, beginning from the date and time the program application is open to the public. The more complete an application is (information and documents uploaded are accurate) the faster it can be reviewed.

Once an initial review of your application is completed, you will receive an email from a NJEDA Grant Processor and have up to 10 days to respond to requests for additional information.

31. Will there be any informational sessions or webinars for applicants outlining the program and application process?

Yes. Webinars will be offered in English and Spanish and after-hours. More information about days/times will be available soon. Check the [Child Care Facility Improvement Program Phase 2](#) page for updates.

32. What are some reasons applications may not be approved?

Applications may not be approved based on a program's inability to meet eligibility criteria or due to misrepresentation of application information. Some reasons may include, but are not limited to:

- An applicant does not meet the minimum eligibility requirements
- An incomplete application (missing documents, answers left blank, etc.) is not corrected within 10 days after NJEDA staff reach out to collect missing information

33. What happens if I close my FCC less than 2 years after executing a grant agreement? Do I have to repay the grant?

FCC providers must remain operational and registered for 2 years or they may face repayment of the grant in full or in part. The NJEDA also understands there are unforeseen circumstances and emergencies and keeping a facility open is not always possible. In these cases, providers should notify the NJEDA in writing as soon as possible so a determination can be made around repayment.

Grant Awards

34. How will you determine my grant award amount?

The combined amount of all quotes for eligible costs will determine your grant amount. Please ensure that your quote(s) is/are inclusive of all costs, such as shipping, taxes, or any other cost. Incomplete quotes will negatively impact your project and your award amount will not reflect the true full cost of your project. Additionally, these grants are for prospective costs, and we will not reimburse for items purchased before your grant agreement is signed.

35. How will I be notified of my award?

Applicants will receive an email with an approval letter and an award amount which you will need to sign within 7 days. Once NJEDA receives the signed letter, we will begin drafting your grant agreement. We will not reimburse for items purchased before your grant agreement is signed. Notice of approval, does not mean you're cleared to begin spending.

36. How will grant funds be disbursed?

You will receive your funds in two disbursements. Fifty percent (50%) of the approved amount will be disbursed when you fully execute a grant agreement. After purchasing eligible FFE items, you will submit proof of purchase (such as receipts) totaling an amount equal or higher than your first disbursement. The remaining fifty percent (50%) will be disbursed after NJEDA staff reviews and approves the documentation you have submitted. After the second disbursement, you will have 3 months to submit evidence of the additional purchases.

37. When I start purchasing items?

You may not purchase any items until you have executed a grant agreement with NJEDA.

38. Is this a taxable grant?

NJEDA cannot provide tax advice. Please consult with your accountant or your tax preparer.

Compliance Questions

39. **NEW** What happens if a provider does not enroll in Grow NJ Kids within a year of executing a grant agreement?

NJEDA will be verifying enrollment in Grown NJ Kids with DHS. A provider who has not enrolled within a year of executing an agreement would be out of compliance, may be in default of their agreement, and may be required to pay back grant funds.

Miscellaneous Questions

40. Who do I contact with questions?

Potential applicants may reach out to CustomerCare@njeda.com, call (844) 965-1125, or use the Customer Care chat feature found on the NJEDA website at www.njeda.com.

41. How do I apply to Grow NJ Kids?

All Grow NJ Kids business is conducted in the New Jersey Child Care Information System (NJCCIS) and an account is needed to enroll. Detailed instructions on how to enroll can be found [here](#).

42. What if a child care provider enrolls in Grow NJ Kids but does not complete the process or doesn't get in?

The requirement for this grant is that child care providers must commit to enroll in Grow NJ Kids within one (1) year of executing a grant agreement with the NJEDA.

43. Can NAFCC Accreditation be substituted for enrollment in Grow NJ Kids?

No, applicants must commit to enrolling in Grow NJ Kids within a year of executing a grant with NJEDA.