

Spring 2023: Updates and Common Questions

Below are common questions or points of clarification that NJEDA has encountered since opening the Child Care Facilities Improvement Application in November 2022. The information shared may have already been provided in our Frequently Asked Questions-Part I, which is currently available in our program page [HERE](#).

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I. [Application Related Questions](#)

1. *The application is not available in Spanish, which makes it difficult to complete. La aplicacion no esta disponible en espanol, y es deficil completalo.*

The Spanish version of the application can be found [HERE](#). La version en espanol de la aplicacion se puede encontrar [AQUI](#).

2. *I'm not sure if my center qualifies for this grant?*

During Phase 1, only licensed child care centers are eligible. Applicants must meet the following criteria:

- ✓ Applicants must be child care centers licensed by the NJ Department of Children and Families (DCF) as of June 4, 2021, and offering full time care for 6 hours or more per day (Monday-Friday) for at least 10 months a year.
 - Note: Registered family child care providers (FCCs), also known as family child care homes, are not eligible for funding in Phase 1.
- ✓ Applicants must currently enroll or have enrolled in the 12 months prior to the date of application, at least one (1) child receiving support through the Department of Human Services (DHS) Child Care Assistance Program (CCAP).
 - Applicants can be for-profit businesses or non-profit organizations
 - Applicants can own or lease their space
 - Applicants must be in good standing with the New Jersey Departments of:
 - Labor and Workforce Development
 - Environmental Protection
 - Treasury (Division of Taxation)
 - Children and Families
 - Human Services
- ✓ Applicants must not be debarred from receiving federal funds as indicated through the federal System for Award Management (SAM)
- ✓ If not already enrolled in Grow NJ Kids (GNJK), the NJ Quality Rating and Improvement System, applicants must commit to enroll within one (1) year of executing a grant agreement with the NJEDA.
- ✓ Applicants must commit to maintaining their license with the Department of Children and Families (DCF) to provide care at the location of the facility improvement project for at least four (4) years following the execution of a grant agreement with the NJEDA.

3. *I really would like to apply for this grant but I'm not a member of NJ Grow Kids.*

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. You do not have to be part of Grow NJ Kids at the time of application. 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](#). Again, enrollment is not required prior to applying for the NJEDA grant.

4. *Having more time to apply for this grant will be very helpful.*

There is currently no deadline. Applications will be accepted and reviewed until all funding is committed, or three (3) years after the date of application launch, whichever is sooner.

5. *I wish you were able to save your application as you go.*

You can save your application and come back to it as long as you complete the page you are working on. Make a note of where you left off so when logging back into your account, you should be able to start with the next page. Additionally, in order to make the application process easier we've created a list of all the required documentation that can be found [HERE](#). We encourage you to use this resource to ensure you have everything you need beforehand.

6. It would be helpful to see all the application questions in order to prepare all the required documentation.

We've created a new resource with a complete list of required documents [HERE](#). We also have an Application Quick Start Guide [HERE](#) which outlines where and how to find all the required documents. A sample application is available in [English](#) and [Spanish](#) on our website.

7. I applied for the grant, but I have not heard from NJEDA in several months. What is the status of my application?

We have begun the application review process based on a first submitted, first reviewed basis beginning with applications received on November 15, 2022, when the application opened to the public. Applications are currently moving through several stages of review, and we appreciate your patience as this work is completed. To learn more about the application review process click [HERE](#).

If NJEDA staff have questions, they will follow up with applicants directly, who will have up to 10 business days to respond and/or resubmit any needed materials or documentation. The timelier and more thorough you are with addressing any issues identified the quicker we can process your application. Please note that applications may be declined or withdrawn for unresponsiveness to NJEDA's request(s).

II. [Project Related Questions](#)

1. I heard that you have to pay for the project upfront?

- **Improvement Cost:** Child care providers will not pay any money for the construction costs. The funds from the NJEDA will cover the entire cost of the project including:
 - i. Hard cost = associated project materials and labor, and
 - ii. Soft cost=permits and fees, freight and shipping, and architectural, environmental and construction management services.

NJEDA will make payments directly to the registered Public Works Contractor(s) or vendor providing the soft cost services.

- **Furniture, Fixtures and Equipment (FFE):** If you are approved for FFE, purchases will be paid to child care providers on a reimbursement basis. For example, if you were approved for chairs, you will need to purchase them and then complete the NJEDA reimbursement process. More information on the process will be shared once a grant agreement is executed.

2. I'm not sure if I have soft costs?

Any of the following should be reflected as soft cost in your budget:

- Any professional services performed by a vendor/contractor/subcontractor that includes:
 - Architectural Services
 - Environmental Assessment Services
 - Construction Management Services
- Permit Fees
- Shipping and Freight on materials associated with your improvements

SALESPERSON		JOB	PAYMENT TERMS	DUE DATE
Denise Jones		Daycare Center Playground	Due on receipt	N/A

DESCRIPTION	UNIT PRICE	
Infant Play Maze Playground Equipment	\$5,500	
Toddler Playground Equipment	\$6,700	
Playground Surfacing with trike track - 100" x 85"	\$15,700	
Site Planning	\$1,200	
SUBTOTAL		\$29,100.00
SALES TAX (6.625%)		\$1,927.88
TOTAL		\$31,027.88

For example, in this invoice this contractor included \$1200.00 for Site Planning (see yellow highlight). When creating a budget, this cost would be categorized as a soft cost.

3. I'm not sure if I have Furniture, Fixtures and Equipment (FFE)?

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. These are items that are used in the child care business' normal, everyday operation, and excludes consumable materials like art supplies or paper goods. The items are expected to have a lifespan of three years at a minimum. Guidance on allowable FFE Expenditures can be found [HERE](#). Please keep in mind that once your application is approved you will need to purchase approved FFE upfront, and will be reimbursed after purchasing these materials.

If you need to install FFE and **the installation costs less than \$2000**, applicants can use any contractor of their choosing for the installation.

If you need to install FFE and **the installation costs more than \$2000**, applicants must use a Public Works contractor/subcontractor to perform the installation. Applicants will need to:

- Identify the Public Works contractor/subcontractor who will do the work. Please reference the table in Question 6 if adding a new Public Works contractor/subcontractor; **and**
- Installation costs should be reflected in the contractor's quote

4. I submitted my application and worry that if I'm approved, the quotes that I got from contractors will have expired or inflation will have changed the cost of doing the work.

NJEDA has built in a contingency of a 15% cost overrun that can be used for situations like this. Grants will be calculated based on the total project cost at the time of approval, plus an additional 15% which the grantee may use, upon request and NJEDA verification, for unanticipated cost overruns. For example, if you applied and were approved for a \$100,000 grant, NJEDA will hold an additional \$15,000 aside for cost overruns (so, a total of \$115,000 will be set aside).

If additional funds are needed to complete your project, you will need to submit a request to NJEDA and if approved, NJEDA will draw down from the 15% cost overrun to cover those additional costs. Please note that this 15% cost overrun is not intended to cover new project cost.

5. I have emergency repairs that are time-sensitive, what should I do?

Applicants will need to make a business decision in terms of addressing those issues. NJEDA will not pay for costs for work already completed as this program only pays for prospective costs. The NJEDA's Small Business Improvement Grant may be an option for you. Learn more about the grant [here](#).

6. What if my project needs have changed or my contractor is no longer available?

In all cases, please notify NJEDA as soon as possible of these changes via email.

- *If your application is still In Review:* Contact your Child Care Grant reviewer and be prepared to resubmit the following items:

Contractor Changes and Add Contractors	Project Scope of Work Changes	Both
<ul style="list-style-type: none"> ✓ Public Works Certification ✓ Project Quote ✓ NJ Business Registration Certificate ✓ Contractor Eligibility Form ✓ Review DOL for Public Works Registration ✓ Amended Budget ✓ Amended Project Timeline 	<ul style="list-style-type: none"> ✓ Project Quote ✓ Amended Budget ✓ Amended Timeline ✓ New Photos ✓ Amended Project Narrative 	<ul style="list-style-type: none"> ✓ Public Works Certification ✓ Project Quote ✓ NJ Business Registration Certificate ✓ Contractor Eligibility Form ✓ Review DOL for Public Works Registration ✓ Amended Budget ✓ Amended Timeline ✓ New Photos ✓ Amended Project Narrative

- *If your application has been approved:* NJEDA will consider project changes due to emergencies only. See table above for the new information NJEDA will need to approve these changes.

7. I'm not religiously affiliated so why am I being asked to complete the Religious Affiliation form?

If you lease your facility from a religious entity such as a church, temple, or mosque for example, NJEDA will need to better understand how or if these project repairs, which are publicly funded, may aid, enhance, or contribute to that religious entity. The NJ Constitution prohibits the use taxpayer funds to repair churches or places of worship and therefore, NJEDA must ensure this funding will not directly be used to pay for religious worship, instruction, or proselytization.

Contractor Related Questions

1. I'm having a hard time finding a Public Works contractor. I'm worried it will make our projects more difficult and expensive. Why can't we use our own contractors?

Due to legal reasons out of our control, all contractors for this program must be Public Works contractors registered with the NJ Department of Labor. At a high level, this law guarantees that all contractors and subcontractors whose workers provide hands-on labor for a public works project will be paid prevailing wage. As a result, even if you have used a different contractor in the past, they must be a public works contractor/subcontractor, or you will be unable to use them. We understand this presents a limitation, but it is not something that can be changed.

2. I don't know how to find a Public Works contractor. I heard there were only 200 that could do this work?

We recognize there has been some confusion on this issue. There are over 6,000 contractors that are registered with the NJ Department of Labor found [HERE](#).

Within that group of 6,000, more than 200 contractors have responded to a voluntary, non-binding request from NJEDA expressing interest in being considered for this project and can be found [HERE](#).

You can use any eligible contractor from the list of 6,000. You are NOT limited to just the 200 on NJEDA website. That smaller list is provided as an informational resource.

3. How will our contractors/subcontractors be paid?

NJEDA will make payments directly to the registered Public Works Contractor(s) for the project costs and materials or vendor providing the soft cost services. At a high-level you will be required to review and certify project invoices and contractors/subcontractor will be paid after this sign-off process has occurred. More information on the process will be shared once a grant agreement is executed.

4. Why is the SAM.gov ID required for the contractor and not the applicant?

NJEDA will make payments directly to the registered Public Works Contractor(s) for the project costs or vendor providing the soft cost services. To ensure contractors are eligible to receive this federal funding they must undergo a debarment check. That check is completed using SAM.gov Unique ID.

5. I will need to purchase materials from a third-party vendor as part of my improvements. What do I need to do?

These materials would be considered a hard cost and will need to be included in your Public Works Registered Contractor's quote. They will be responsible for purchasing the materials and will invoice NJEDA as part of the reimbursement process. NJEDA will not pay third party vendors directly. A Public Works contractor/subcontractor will be responsible the installation of these materials and those costs should also be reflected in a quote. The required documents for contractor/subcontract are listed in Question 6 of the Project Related Section above.

Please keep in mind that if the installation of your FFE costs over \$2,000, you are required to use a Public Works Registered Contractor for installation, and they must comply with state prevailing wage and affirmative action requirements. These costs should be discussed with your contractor and included in your hard costs during your budgeting process.