New Jersey Child Care Facilities Improvement Program – Phase 1

Grantee Manual

October 2024

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INTRODUCTION

Congratulations on getting one step closer to seeing your facility improvements into reality. Before diving into program details, we want to share a few reminders.

You should consider yourself the **PROJECT MANAGER** which means:

- You are the liaison between NJEDA and your contractor(s)
- You are the primary contact regarding your project status, changes, disbursements, etc.
- You are responsible for processing disbursement requests
- You are responsible for managing your budget

NJEDA can provide you guidance to questions you may have related to your project, but it is not the role of any NJEDA employee to manage the specifics of your project.

As a project manager, you will need to **actively manage** these areas of your project:

1. Budget
2. Construction Projects and contractors
3. Timeline
4. Scope of Work

This guide outlines best practices and provides guidance to support your success as a project manager. Some items are requirements of the grant, others are recommendations from NJEDA. We highly recommend that you read this manual thoroughly and reference it frequently.

Please keep in touch with your Grant Project Specialist (GPS) about your project. They are a valuable resource to help you navigate your way through this grant.

MANAGING YOUR PROJECT

This section is intended to provide you with some best practices as it relates to managing your project and budget. **NJEDA will not be monitoring the progress of your improvements as they relate to your budget – this is your responsibility as the Grantee.** These steps are not mandatory but rather suggestions we've compiled to ensure the successful completion of your entire scope of work.

If you are closing your childcare center to complete work when children are not in attendance, we highly recommend you visit your site frequently to check on the progress being made.

You are responsible for the relationship with the contractor(s) and the ultimate finished product. Therefore, you must stay involved in all decision-making for the project.

COMMENCING YOUR PROJECT

You are required to commence your project within 12 months from the date your grant agreement is executed.

- Commence means you have **requested a deposit** for a contractor to begin work, you are **requesting a disbursement for FFE**, or **construction has started**.

Proactive Planning Recommendations:

✓ If a substantial amount of your total project costs is related to FFE, consider holding off on purchasing these items until most of your repairs have been completed**.** If a project incurs unexpected costs, you may want to shift funds from the FFE category to cover construction costs needed to complete the project.

MANAGING YOUR TIMELINE

Because you have up to 12 months from your start date to complete all construction, you will need to actively monitor how your projects are progressing against this 12-month deadline.

Proactive Planning Recommendations:

- Expect that there will be delays during construction projects– some may be small, others more significant. You will need to monitor how a delay in one project may impact the start time of another project.
- Contact your Grant Project Specialist if you are worried you will not complete your project within the 12 months.

REQUESTING A PROJECT EXTENSION

If you believe that you will be unable to complete all construction within 12 months, or if a project is already underway and it will not be completed before this 12-month deadline, you may request an extension.

All projects must be completed by **December 2026** due to federal requirements. Depending on when you execute a grant agreement, please note you may not be eligible for an extension if that would push project completion until after this date. Speak to your Grant Project Specialist with any questions.

To **Request an Extension**, you will need to submit the following:

- ✓ Project Completion Extension Form

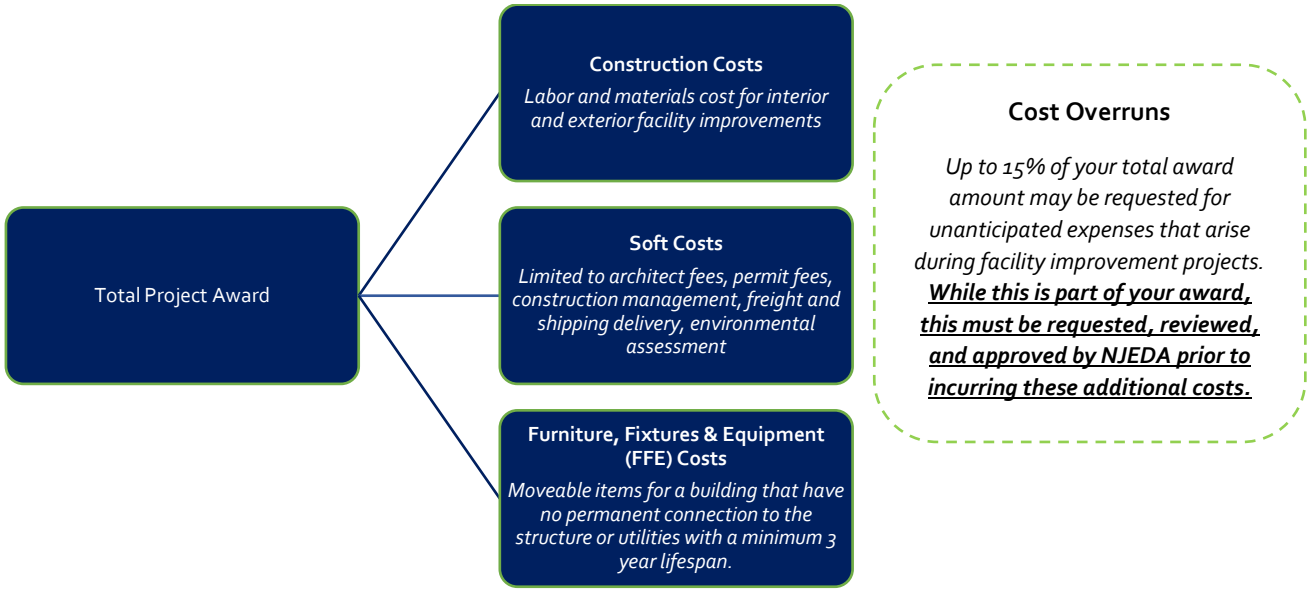
These forms are found on the program's webpage at www.njeda.gov/child-care-facilitlies-improvement-program/.

If requesting a second extension request, you will need to attest that your project will be completed by the end of the revised timeline and within budget.

ALL PROJECTS MUST BE COMPLETED BY DECEMBER 2026

BUDGET MANAGEMENT

Your project has several types of costs as noted in the chart below:



You can find these award amounts in several locations, including your award letter, your approved budget, and grant agreement.

If you have multiple improvements as part of your scope of work, you will need to track:

- **Each project's spending** against the total approved quote, and
- How each project is progressing relative to your **project overall spending**.
- Your **cost overrun** usage and balance.

REQUESTING PROJECT CHANGES AND COST OVERRUNS

During construction you may need more than your approved grant award amount to complete your project due to unforeseen circumstances. Often this comes in conjunction with a contractor's change order and a modification to the project's scope of work.

Every Grantee may request up to 15% of their awarded amount which is also known as your **cost overrun**. Once you have exhausted this funding, you will not have any additional funding to cover unexpected cost throughout the lifecycle of your project.

Reminder:
You may not use other funds to complete your project. 100% of costs associated with this project must be funded by NJEDA.

Prior to Requesting Cost Overrun ask yourself:

- Do I have any funds that could be repurposed? For example, could I reallocate FFE funds to construction to finish my bathroom renovation? Or could I find a cheaper tile to find additional funds?
    - **EDA will consider FFE Cost Overrun requests once all construction is completed.**
- Could I eliminate part of my project to free up funds? Could I use different materials to save money?

If you are not sure how to proceed, contact your Grant Support Specialist for guidance.

When you are ready to submit the request, please download the ***Project Change Cost Overrun Form*** found in the Grantee Resources section of the program's webpage https://www.njeda.gov/child-care-improvement-program/. EDA expects Grantees to complete the form in partnership with their contractor(s).

REQUESTING A DISBURSEMENT

Disbursement means that you are requesting that a portion of your grant award be paid out. There are two types of disbursement requests:

1. **Construction Payment Disbursement:** These payments will be sent directly to the contractor or professional service vendor who has completed the work. If a deposit is required, you may request a disbursement prior to any work being completed.

2. **Reimbursement-Based Disbursement:** These payments are for eligible items that you have paid for, and you are requesting to be reimbursed for that expense. Items eligible for this type of disbursement process include:
    a. **Approved Furniture, Fixture, and Equipment (FFE)**

b. **Approved Installation of FFE by a contractor:** less than $2,000 and not requiring a Public Works contractor.
c. **Permits** that are not already included in your contractor(s)' quote.

ALL DISBURSEMENT REQUESTS SHOULD BE SENT USING THE DOCUMENT UPLOAD LINK RECEIVED WHEN YOU BECAME A GRANTEE

DISBURSEMENT REQUIREMENTS

	Reimbursement Disbursement	Construction Payment Disbursement
Required Documentation:	**FFE:** ✓ Proof of purchase that includes ALL the following information: • Vendor name • Date of purchase • Description of purchase(s) • Quantity purchased • Unit Price • Total Amount Paid ✓ Photo of Item(s) unboxed and in Facility ✓ If you received a **"Line of Credit"** at a store or bank, submit the following: • Finance/Loan Agreement or Contract **Approved Installation of FFE:** ✓ Proof of payment to approved non-Public Works contractor, totaling less than $2000, in the form of: • Electronic purchase confirmation • Cancelled check • Bank statement • Credit card receipt or statement • Paid invoice ✓ Photos of work completed **Permits, not included in contractor's quote:**	ALL of the following documents must be submitted for each Public Works contractor/professional service vendor, including any non-Public Works registered contractor who is installing FFE under $2,000: ✓ Contractors Application for Payment (AIA) G702/ G703 (or equivalent) ✓ Associated SWMVBE ✓ Work progress photos that support disbursement request **FOR YOUR INFORMATION** - contractors are required to submit documentation directly to NJEDA related to Prevailing Wage/Affirmative Action requirements on a weekly basis as well as debarment status and updated certificates. If they do not do this, you may be notified, and your project may be delayed. **Please Note**: Disbursements will not be processed unless all required Prevailing Wage/Affirmative Action documentation has been provided to the Labor Compliance Team. NJEDA will also be checking on contractor's debarment status and certification including, insurance, NJ Public Work Certificate and SWMBE certificates.

	✓ Proof of payment in the form of one of the following: • Electronic purchase confirmation • Cancelled check • Bank statement • Credit card receipt or statement • Paid invoice	
Changes in Cost:	**FFE:** If your approved item is no longer available and you cannot find a comparable item at a similar price point, you can either purchase another eligible item for the same (or less) amount; or choose not to purchase another item. **Please note that your disbursement request cannot exceed the approved FFE amount.**	**Construction:** If there are any changes in cost due to unforeseen conditions during construction, please complete a Project Change/Cost Overrun form. If NJEDA approves unforeseen conditions costs, 1. You will need to determine whether there are any available funds that can be repurposed (ex. FFE) or; 2. You may want to reconsider the scope of your project; or 3. You may also consider a cost overrun request if these expenses will exceed your total project award.

SUBMITTING DISBURSEMENT REQUESTS

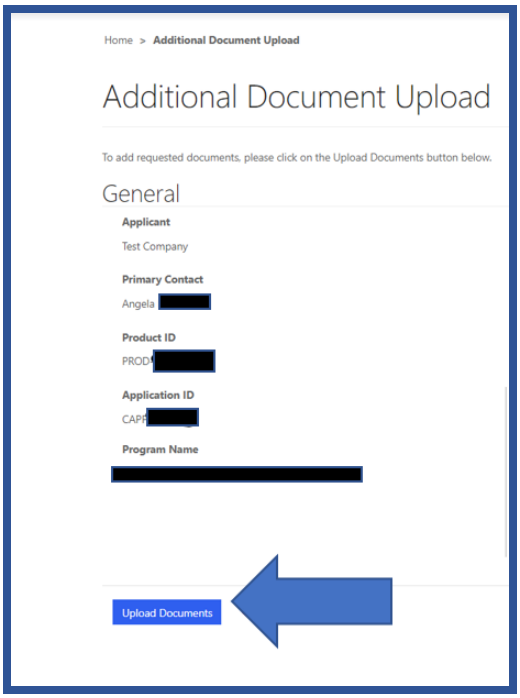
Please ONLY upload your documents once you have all the required documentation available. Incomplete submissions will delay our ability to process your request.

Your documents must be labeled correctly with the following labeling convention:

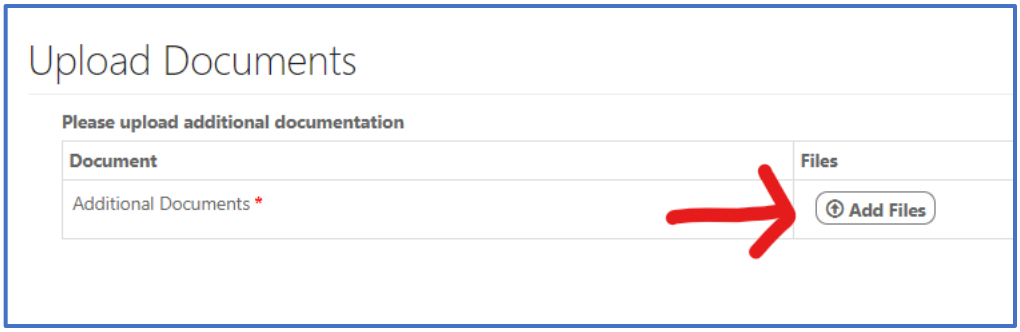
- Your PROD ID
- Documentation Type
- Name of Contractor
- Vendor/Professional Service
- Date of Submission
  - Ex. PROD-123456789_Contract Agreement_Larry's Construction_6.30.23
  - Ex. PROD-123456789_FFE Disbursement Invoice_School Supply_6.30.23

USING THE DOCUMENT SUBMISSION LINK

1. Open the Document Submission Link provided by NJEDA.
2. At the home page, click on **Upload Documents**

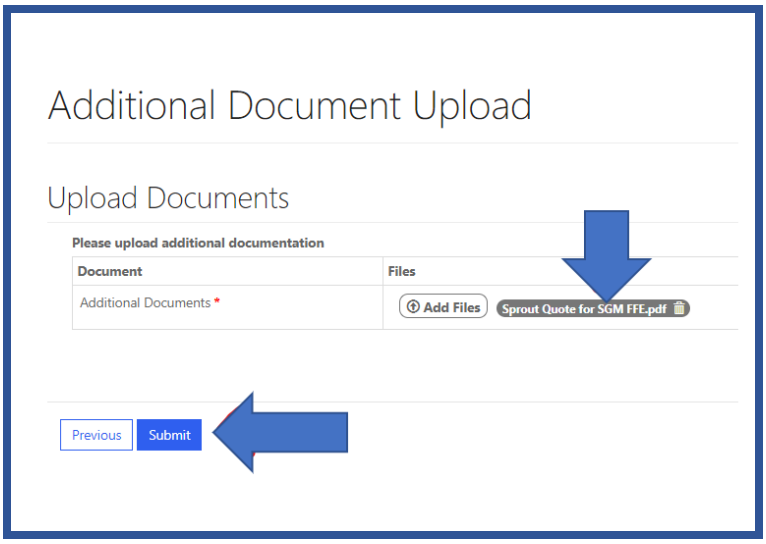


3. Click on **Add Files**



4. Select the files from your computer and click **Open**

5. Your documents will be listed under **Files**. Then click on **Submit**.



Once you are ready to submit your documents, you will use the Document Submission link provided to you. If you have multiple awarded sites, please ensure you are using the correct link!

For construction related disbursements, please email ChildCareConstruction@njeda.gov to notify them that a request has been submitted.

DISBURSMENT REVIEWS AND APPROVALS

NJEDA staff will review all disbursement documentation provided.

- If there are contractor related questions, staff from the Federal Programs Reporting & Compliance Team may reach out directly to that contractor and may request that they resubmit documents with needed corrections.
- If there are reimbursement related questions, staff from the Child Care Team will reach out directly to you for further information.

Should contractor invoices and other related documents need updates, they will be shared with you for your review and approval. Please note: any delays in submissions will cause a delay in NJEDA's ability to process payment.

Once NJEDA staff has completed their review and all materials are corrected, you will receive a **Requisition Form** for review and approval. Please sign this form as quickly as possible to ensure contractors and yourselves are being paid as quickly as possible.

COMPLIANCE

Your grant agreement has several covenants and requirements to stay compliant with the terms of this grant. You will need to ensure EDA has documentation of many of these, while others we will be verifying

with our sister agencies such as the Department of Children & Families, the Department of Human Services and the Division of Taxation. All the details of compliance requirements can be found in your executed grant agreement.

Failure to act on requirements may result in an event of Default where EDA may:

1. Withhold payment of FFE disbursement request
2. Terminate the Agreement.
3. Require that the Grantee repay all or a portion of the Grant previously paid to Grantee under their Agreement.

Agreement Requirement	Details
Submit contractor contracts and certificates of insurance	Correct documentation must be received within 90 days of executing a grant agreement
Project Commencement	Within one (1) year of executing a grant agreement
Project Completion	Within one (1) year of construction start
DCF Licensed provider	Remain licensed for four (4) years after executing a grant agreement
Grow NJ Kids enrollment	Enroll in program within one (1) year of executing a grant agreement, if not already enrolled
Liability Insurance	Maintain mandatory insurance requirement
Contractor Insurance	Ensure contractors maintain mandatory insurance requirements
Tax Clearance Certificate	Provides a current New Jersey Tax Clearance Certificate not more than 180 days old