Notice of Grant Award

[Date]

Dear [Contact Name]:

Congratulations. [Provider Name] is conditionally eligible for the Child Care Stabilization Grant (Stabilization Grant) in the amount of [Amount]. This grant is awarded monthly for child care programs that continue to meet all of the following eligibility criteria, contingent upon the Texas Workforce Commission’s (TWC) continuation of the program.

Eligibility

To be eligible for the Child Care Stabilization Grant, a child care program must have:

- temporarily closed due to the COVID-19 global pandemic in March, April, or May 2020;
- remained closed as of the 10th day of the grant award month;
- had active referrals as of the date closed;
- made plans to reopen no later than the beginning of the school year (based on the local school calendar for the 2020–2021 academic year); and
- applied for the Small Business Association’s (SBA) Paycheck Protection Program (PPP) loan, and:
  - was not eligible for a loan;
  - was not awarded a loan; or
  - was awarded a loan, but the eight weeks covered by the loan ends on or before June 15, 2020.

If your child care program does not meet all of the above criteria, please contact [Board Contact] immediately to decline the award. Failure to decline the award may result in a fraud investigation and recoupment of funds.

If your child care program continues to meet all of the above criteria, please carefully read and sign the Grant Award Agreement and return it to [Board Contact] by [Deadline] to receive your June 2020 award.

July and August awards are contingent upon TWC’s continuation of the program and on your program’s ongoing status as closed. Reopened programs will be eligible for enhanced reimbursement payments in effect (currently set at 25 percent); however, programs cannot receive both the Stabilization Grant and any enhanced reimbursement within the same month. TWC’s continuation of the enhanced reimbursement rate is also subject to change by TWC’s three-member Commission.

Sincerely,

[Board Signature]
Grant Award Agreement

I, [Contact Name], attest to the following:

[Initial] I understand that only one submittal is needed per temporarily closed child care program site that I manage. If my program is either permanently closed or currently open, then my program is considered ineligible. If my program opens at any time during the grant period, it will be considered ineligible for future grant months.

[Initial] I understand that these grants will be provided on a month-by-month basis, contingent upon TWC’s continuation of the program, and based upon initial application and continued operational status as closed.

[Initial] I understand that the intent of these funds is to defray facility costs to assist my program in reopening to serve the community and especially child care subsidy families, as local and state rules allow. Therefore, if my facility does not have any fixed facility costs (for example, program space is donated or program space belongs to a church or elementary school) or has received a Small Business Administration (SBA) Paycheck Protection Program (PPP) loan, then my program is ineligible to receive these funds.

[Initial] I understand that child care providers who receive Child Care Stabilization Grants (Stabilization Grants) may not use grant funds for costs that are reimbursed or compensated by other federal or state programs, including the PPP and the Public Health and Social Services Emergency fund.

[Initial] All information provided on this form is accurate, and I understand that any future funds will be terminated if any of this information is found to be inaccurate or if my program’s operational status changes.

[Initial] I understand that giving false information or failing to report expenditures may constitute fraud and could result in fraud investigation, prosecution, and/or repayment of funds to which my program was not entitled.

[Initial] I will notify Child Care Regulation and my Local Workforce Development Board (Board) immediately when my child care program reopens.

[Initial] If my program is denied the grant, I have the right to appeal the decision through my Board’s child care services appeal process.

Funding and Authority Information

The funding source for this program is the Child Care and Development Block Grant Act of 2014 (42 United States Code (USC) §§ 9858, et seq.). The applicable authorities include the Social Security Act, as amended (42 USC §§603–619); the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (42 USC §§ 601, et seq.); the Consolidated Appropriations Act of 2018 (Pub. L. 115-141); Federal regulations for CCDF at 45 Code of Federal Regulations (CFR) Parts 98 and 99; the administrative requirements, cost principles, and
audit requirements contained herein, and the Texas Department of Health and Human Services regulations at 2 CFR Part 300 and 45 CFR Part 75; Texas Labor Code Chapter 302; 40 Texas Administrative Code (TAC) Chapters 800, 802, and 809; and the Child Care Services Guide, Workforce Development (WD) Letters and other TWC policy directives, and any subsequent issuances.

Allowable Costs

This grant program may fund costs as allowed by the laws, regulations, rules, and guidance governing fund use for the fund sources identified in the Funding and Authority Information provisions in this grant agreement. Allowable costs under this grant include:

- rent or mortgage payments, including past due payments and fees;
- utilities for the facility, including past due payments and fees;
- general liability insurance and property insurance for the facility;
- security system monitoring service fees (if any) for the facility;
- lawn maintenance services for the facility;
- monthly pest management services for the facility that are necessary to prevent infestations or help assure compliance with health and safety standards;
- janitorial services limited to those appropriate for the facility while not in use by children; and
- computer and/or copier lease payments (if any) for the facility.

Unallowable Costs

Costs must conform to limitations or exclusions as to the types or amounts of cost items set forth in the following:

- laws, regulations, rules, and guidance governing fund use for the fund sources identified in the Funding and Authority subsection of this grant agreement;
- the cost principles and requirements in the General Terms and Conditions of this grant agreement; and
- the expenditure limitations in this grant.

Funds must not supplant existing federal, state, or local funds available to the proposed program. This grant program will not fund:

- salaries and wages;
- subscription and/or license fees associated with business office operations (for example, accounting system license and/or subscription fees);
- bank fees (for example, monthly maintenance fees, overdraft fees, or safe-deposit box fees);
- license renewal fees;
- professional services associated with business office operation (for example, accounting and bookkeeping services, as well as attorney and legal fees);
- payments for income taxes owed or coming due for the business or its owners;
• advertising and printing costs, including those associated with signage and those that inform the public about the open and/or closed status of the business;
• office supplies for business office operations (for example, paper and printer toner/ink), cleaning supplies, and any other supplies and materials (including those purchased in preparation for reopening);
• subscription fees for instructional services (if any);
• playground repair, maintenance, or improvements;
• building repair, alterations, or improvements;
• costs associated with facility vehicles (for example, loan payments, insurance, registration fees, and maintenance);
• professional liability insurance (if any); or
• storage fees (if any).

**Reporting Requirements**

Boards are required to ensure that Stabilization Grant funds are expended for allowable purposes.

[Initial] I understand that I am required to maintain records for seven years, including receipts, invoices, or other documentation that support how all Stabilization Grant funds were expended. Funds expended without supporting documentation will be required to be repaid to the Board.

[Initial] I understand that I may be asked to submit documentation monthly and/or may be subject to monitoring and asked to produce documentation at that time, depending upon the process that the Board has implemented.

[Initial] I understand that all expenses covered by the grant payment amount are subject to audit.

[Initial] I understand that all funds not expended for allowable purposes must be returned to the Board. Expenditures must be made by the 15th day of the second month following receipt of the funds. For example, June Stabilization Grant funds must be expended by August 15th.

**General Terms and Conditions**

Pursuant to OMB Uniform Guidance (2 CFR Part 200) provisions at 2 CFR §200.101(b)(1) and §200.331(a)(2), these Special Federal Award Terms and Conditions for Child Care and Development Fund Grants pass through Terms and Conditions specific to the Federal award, which are not set forth elsewhere in this TWC grant award. These grant funds awarded by TWC must be used in compliance with the following federal Terms and Conditions in addition to the other provisions of this TWC grant award.

1. **Micro-Purchase and Simplified Acquisition Threshold for Financial Assistance**—Due to statutory changes set forth in the National Defense Authorization Act for Fiscal Year 2018, which became law on December 12, 2017, the threshold for micro-purchases is now set at $10,000, and the threshold for simplified acquisition is now $250,000. In accordance with 41 USC §1902(f), changes to the thresholds are not effective until implemented in the Federal
Acquisition Regulation (FAR). However, pursuant to 2 CFR §200.102, OMB has issued an exception to allow grantees (recipients) to use these higher thresholds in advance of revisions to the FAR at 48 CFR Subpart 2.1 and the Uniform Guidance. Furthermore, the National Defense Authorization Act for Fiscal Year 2017, which became law on December 23, 2016, establishes a uniform process by which institutions of higher education, or related or affiliated nonprofit entities, nonprofit research organizations, or independent research institutes, can request a micro-purchase threshold above $10,000. Before requesting a higher threshold, the grant management specialist identified in the federal award must be contacted.

2. Pro-KIDS Act of 1994 Smoking Prohibitions—In accordance with Title XII of Public Law 103-227, the Pro-KIDS Act of 1994 (20 USC §7183), smoking is prohibited in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under age 18 if the services are funded by federal programs, whether directly or through state, local, territory, or tribal governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, subawards, and contracts. The law does not apply to children’s services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of such facilities that are used for inpatient drug or alcohol treatment. The language above must be included in any subawards that contain provisions for children’s services, and all subawards shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to $1,000 per day.

3. Human Trafficking Provisions—This TWC grant award is subject to the requirements in §106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 USC §7104).

4. Religious Activity Prohibitions—Pursuant to 45 CFR Part 87, this TWC grant award, subawards, or contracts under the Child Care and Development Fund program shall not be used to support inherently religious activities such as religious instruction, worship, or proselytization. Therefore, organizations must take steps to separate, in time or location, their inherently religious activities from the services funded under this program. This provision shall not be interpreted to prohibit making subawards to, or contracting for goods or services with, any religious institution or entity.

5. Construction Prohibitions—Unless superseded by program-specific regulations, this TWC grant award may not be used for the construction or purchase of land.

6. Fiscal and Accounting Procedures—Fiscal and accounting procedures must be sufficient to permit the preparation of required reports and the tracing of expenditures to a level adequate to establish that such funds have not been used in violation of 45 CFR Part 98.
Signature Authority and Acceptance of Agreement

The individual signing this Grant Award Agreement on behalf of [Board Name] and the Grantee hereby warrants that he or she has been fully authorized to:

- execute this Grant Award Agreement on behalf of TWC or the Grantee’s organization;
  and
- validly and legally bind the organization to all the terms, performances, and provisions of this Grant Award Agreement.

[Board Name]
[Board Contact], [Title]
Signature: [Board Signature] Date: [Date of Signature]

My electronic signature signifies that I have read and understand the General Terms and Conditions of this agreement; [Provider Name] meets all eligibility criteria, as attested above; and I have the authority to accept this agreement on behalf of [Provider Name]. I understand that the receipt and use of these funds is evidence of my acknowledgment and acceptance of the Terms and Conditions of this agreement. I understand that my program will be liable for any grant funds received for which it is ultimately determined not eligible, based on the parameters noted above. These improper grant award funds will be a debt to the state, which TWC is obligated to collect. TWC will use all resources at its disposal, including a Comptroller warrant hold offset of state funds owed to the grantee, and, ultimately, referral to the Bankruptcy and Collections unit of the Office of the Attorney General for legal action.

Under penalty of perjury, I swear or affirm that the information I have reported on this grant award agreement and any attachments is true and complete. Electronic signatures appearing on this agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

[Provider Name]
[Contact Name], [Title]
Signature: [Provider Signature] Date: [Date of Signature]