



DIVISION OF ELEMENTARY
& SECONDARY EDUCATION

Office of Early Childhood

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American Rescue Plan Act Operational Grant

What is an Operational Grant?

Operational grant funding is to assist facilities in paying for expenses during and after the public health emergency. An operational grant can be used to pay for whatever is necessary to continue safely operating a child care business.

Below is a list of the allowable budget categories with examples:

- Personnel Costs
 - Salaries
 - Staff recruitment and retention
 - Funding to support teachers working outside of hours paid for with existing funding
- Fringe Benefits
 - Health insurance
 - Retirement plan
 - Paid time off
- Bonuses
 - Funding for staff who worked during the pandemic
 - Retention Bonuses
 - Sign-on bonuses
- Substitutes
- Minor Renovations
 - Painting
 - Replacing countertops
 - Laying new flooring
 - Cannot be used to move or renovate a load bearing wall
- Rent or Mortgage
- Utilities, Telephone, Internet
- Facility Maintenance, Repair, and Improvements
 - Playground updates (ground cover; shade such as awning or sail)
 - Kitchen updates (stove, refrigerator, vent-a-hoods)
 - Sprinkler system
 - Heating and Air System
 - New paint and flooring
 - Fencing

- Insurance
- Annual Audit
 - Certified public accountant (CPA) to conduct required audit
- Office Supplies
- Food Service Supplies
 - Kitchen supplies including utensils, plates, hair nets, pots, pans, and cups
- Furniture
 - Age-appropriate tables, chairs, cribs, and changing tables
- Curriculum Resources and Supplies
 - Curriculum and related resources
 - Learning centers
 - Children’s consumables and materials
 - Active outdoor play classrooms
- Parent Involvement
- Transportation
 - Purchase or lease of van or bus
 - Comprehensive vehicle insurance
 - Upgrades to transportation to meet safety requirements
- Professional Development
- Screenings/Assessment
 - Screening tool, training on the tool, and/or costs involved with hiring someone to conduct screenings
- Technology
 - Computers, tablets, scanners, copiers, software
- Health and Safety Items
 - Personal protective equipment
 - Cleaning and sanitation supplies and services
 - Air filtration system
 - UV light or other medical grade air purifiers
 - ServSafe certification or CPR training
- New or Updated Security Systems
- Mental Health Services for Children or Families
- Other

We strongly encourage the following:

- Consulting with Child Care Licensing Specialist prior to purchasing furniture or play equipment, installing any equipment, or making building or playground modifications
- Using funding to cover an annual audit
- Not using this funding to give raises
- Using funding to give sign on or retention bonuses
- Using funding to pay for a formal business plan