These program guidelines have been adopted to govern the implementation of the City’s COVID-19 Childcare Assistance Program. Funding for this program is provided by the U.S. Department of Housing and Urban Development through the Community Development Block Grant CARES Act (CDBG-CV).
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1 INTRODUCTORY PROVISIONS

1.1 PROGRAM OBJECTIVES
The Childcare Assistance Program will help low to moderate income families withstand the on-going pandemic by providing assistance to childcare providers. It is the City of Jefferson’s intent to provide the greatest range of assistance to as many residents as possible through the financing mechanisms established herein.

1.2 APPLICABILITY
The eligibility criteria, procedures and regulations outlined in this document shall be used to implement the Childcare Assistance Program, including but not limited to any current or future grants from the U.S. Department of Housing and Urban Development (HUD) funded Community Block Grant CARES Act (CDBG-CV) funds.

1.3 PROGRAM ADMINISTRATION
The City of Jefferson’s Childcare Care Assistance Program will be administered through the Department of Planning and Protective Services, Neighborhood Services Division. The Neighborhood Services Supervisor or their designee will be responsible for the operation of the program on a day to day basis.

1.4 DUPLICATION OF BENEFITS
The CARES Act and The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) require the City of Jefferson to ensure that there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Stafford Act, as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 42 U.S.C. 5121 et seq.). HUD provided guidance for CDBG-CV through the Federal Register (Vol. 85, No. 162, 51473). The Federal Register Notice outlines the concept of a duplication of benefits and how to ensure that no entity receives more financial assistance for a specific activity than is needed.

1.5 CHANGES TO POLICY AND PROCEDURES
The Policy and Procedures established in this document may be amended by the Department of Planning and Protective Services, Neighborhood Services Division with the consent of the City Administrator. Such changes shall be reflected through the issuance of an updated policy and procedural document signed and dated by the City Administrator.

1.6 RESPONSIBILITIES OF CDBG-CV SUBRECIPIENTS
The Community Development Block Grant Program is a financial resource that enables the City of Jefferson to undertake unique and varied activities. Non-profit agencies and organizations must carry out projects or activities with CDBG-CV assistance that help achieve Community Development goals and objectives and meet basic eligibility criteria under the CDBG-CV regulations.

The City has a duty to ensure approved activities and projects benefit the community, assist low to moderate income persons, and comply with federal regulations. Certain responsibilities are required of recipients of CDBG-CV assistance:
1. The recipient must agree to comply with all applicable federal, state, and local laws and regulations applicable to the project.

2. Recipients are required to enter into a contract as a subrecipient with the City of Jefferson that governs the organization’s responsibilities and obligations, performance and reporting requirements, and recordkeeping with regard to financial standards and program beneficiaries.

3. In undertaking the project or activity, the recipient shall ensure that no person shall be denied benefits of the program or activity because of age, sex, race, religion, national origin, familial status, or handicapped status.

4. For projects that require the hiring of a contractor to complete the work, the organization must execute a written contract with the tradesman or company involved that specifies the work to be performed, timeframe for completion, details the cost breakdown, and that contains language which requires the contractor to abide by federal Davis-Bacon wage regulations for any construction-related project in which the cost exceeds $2,000.

5. The recipient organization must provide a final accomplishment report that includes a brief narrative of how the project improved the organization or the people served, the number of unduplicated persons assisted by the organization’s program, their race and ethnicity, and with certain types of projects, the household income of the family.

6. All financial assistance awards will be made in the form of a grant. Recipients must be able to expend the funds, provide proof of expenditure, and request reimbursement.

1.7 OTHER RESPONSIBILITIES

1. Please see Attachment A, Federal Terms and Conditions
2. Please see Attachment B, Procurement Process

1.8 ABBREVIATIONS

The following abbreviations are used throughout this document:

- HUD  U.S. Department of Housing and Urban Development
- CDBG-CV  Community Development Block Grant CARES Act
- DOB  Duplication of Benefits
2 PROGRAM ELIGIBILITY

To be eligible for participation in the Childcare Assistance Program, the recipient must meet the criteria established in this Section.

2.1 CHILDCARE PROVIDER REQUIREMENTS

• The childcare facility must be located within the city limits of the City of Jefferson.
• The childcare provider must be licensed with the Missouri Department of Health and Senior Services. A list of licensed providers can be found at the provided link: https://health.mo.gov/safety/childcare/index.php
• The childcare provider must be a registered City of Jefferson vendor. New vendors will be required to submit supporting documents such as a form W-9, which are part of the program application.
• The childcare provider is responsible for obtaining income verification for all interested childcare subsidy applicants.
• CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits which means grant funds may not be used to pay costs if another source of financial assistance is available to pay that cost. Awarded subrecipients will be required to certify during the contract term that there is no supplanting of federal funds for requested projects/programs.
• Suspensions and Debarments: HUD's Departmental Enforcement Center pursues suspension and debarment actions that result in the exclusion of a sanctioned party from further participation in HUD procurement and non-procurement programs and other Federal Government programs. Suspensions and debarments are not punitive measures but are part of a government-wide administrative sanctions initiative to ensure the highest standards of professional conduct and ethical business practices by the Federal Government's business partners. Suspensions are generally enacted after an indictment is issued. Debarments are generally issued after a criminal conviction or when serious program violations are detected.

The System for Award Management (SAM) is the official U.S. Government system database of individuals, organizations, and affiliates excluded from conducting business with any Federal Agency. Before a grant is awarded, the City will conduct an online records search at www.SAM.gov to ensure that any business benefitting from CDBG-CV funds is not suspended or debarred from federal funding.
• Other Considerations: The City reserves the right to consider historical information and facts, whether gained from the application, references, or any other source, in the evaluation process, including Applicant’s past working or business relationship with the City, if any. The City further reserves the right to consider an applicant’s background, personnel, experience, financial and other references, management practices, exceptions to this Request for Applications or subsequent contract, and any working relationships, past or present, an applicant may have with its other clients.
2.2 HOUSEHOLD INCOME REQUIREMENTS

A. Maximum Household Income Limits
Household income limits must be at or below 80% of the Area Median Income for the Jefferson City, Missouri, HUD Metro Area:

<table>
<thead>
<tr>
<th>Income Limits</th>
<th>Persons in Household</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>80% of median family income</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>HUD FY2021 Income Limits</td>
<td>42,950</td>
<td>49,100</td>
<td>55,250</td>
<td>61,350</td>
<td>66,300</td>
<td>71,200</td>
<td>76,100</td>
<td>81,000</td>
<td></td>
</tr>
</tbody>
</table>

*Income Limits will be updated in April 2022*

B. Calculation of Income
Income will be calculated as gross annual income, including the income of all occupants age 18 and older that is anticipated to be received during the coming 12-month period. Gross income shall include, but not limited to:
1. Wages/salaries of applicants, including overtime, part-time earnings, bonuses and commissions;
2. Social Security Benefits;
3. Annuities;
4. Trusts;
5. Retirement Benefits;
6. Disability Benefits;
7. Unemployment Benefits;
8. Severance Pay;
9. Worker’s Compensation;
10. Welfare Payments;
11. Child Support and Alimony;
12. Interest and Dividends from all Savings, Bonds or Similar Income Producing Assets and Rental Income.

C. Exemptions
Calculation of gross annual income shall not include any income that is exempted by HUD.

D. Self-Employed Applicants
For self-employed applicants, income will be calculated by gross adjusted income. Copies of the past two years income tax returns will be required.

E. Verification of Income
1. All household income sources must be verified through source determination (i.e. employers, banks, social security, etc.).
2. A copy of the most current federal income tax return is required. If the most recent return does not reflect current income status due to a change in employment status/salary, the applicant shall supply wage information for the prior three months to document current income levels.

3. If a childcare subsidy recipient does not pay income tax, alternative documentation on all sources of income must be provided, (i.e. social security and pension statements, employer verification of income, etc.).

4. If more than 12 months has passed from the time of initial income verification is completed and the start of work, applicants shall be required to submit additional source documentation to confirm that they remain in compliance with income limitations prior to execution of the assistance agreement.

5. The childcare facility will verify that the application for assistance complies with maximum household income limits by using the HUD CPD Income Calculator https://www.hudexchange.info/incomecalculator/dashboard.

2.3 COVID-19 IMPACTS
Applicants must demonstrate that they have experienced a financial impact due to the COVID-19 pandemic. Examples include, but are not limited to:

- Reduction in income due to layoff/furlough, reduction in hours, pay cut, etc.
- Reduction in income due to lack of childcare options and associated inability to work.
- Reduction in income due to contraction of or exposure to the COVID-19 virus.
- Increase in costs/expenses, such as food or childcare.
- Increase in costs/expenses due to contraction of or exposure to COVID-19 virus.

2.4 CONFLICT OF INTEREST
No member of the governing body and no employee or agent of the City of Jefferson who exercises policy, decision-making functions, has responsibility in connection with the planning and implementation of the Community Development Block Grant Program, or has inside information regarding the program shall directly or indirectly benefit from this program. This prohibition shall continue for one year after an individual’s relationship with the City of Jefferson ends.
3 **AMOUNT OF ASSISTANCE**

3.1 **PERIOD OF ASSISTANCE**
Low to moderate income families will receive up to 3 months in childcare service subsidies. All assistance provided through this program must be concluded by December 31, 2022.

All assistance provided for direct financial assistance to childcare providers that employ 6 or more employees and financial assistance to childcare providers that employ 5 or less employees must be concluded by December 31, 2022.

3.2 **MAXIMUM BENEFIT**
The maximum amount of childcare assistance shall be $50,000.

3.3 **TERMINATION OF ASSISTANCE**
Failure of the applicant to pay their required share of childcare costs to the provider is grounds for termination of assistance.
4 ECONOMIC DEVELOPMENT

4.1 ELIGIBLE ACTIVITIES

A. The CDBG program recognizes several key ways that economic development may be undertaken.

B. Special economic development. CDBG funds may be used to undertake certain economic development activities. These activities include: acquiring, constructing, reconstructing, rehabilitating, or installing commercial or industrial buildings, structures, and other real property equipment and improvements including railroad spurs or similar extensions. These are economic development projects undertaken by nonprofit entities and grantees (public entities).

C. Assisting a private, for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and

D. Providing economic development services in connection with otherwise eligible CDBG economic development activities.

4.2 MICROENTERPRISE DEVELOPMENT

These are activities designed to foster the development, support, and expansion of microenterprise businesses.

A. A microenterprise is defined as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise.

B. A “person developing a microenterprise” refers to a person who has expressed an interest and who is, or after an initial screening process is expected to be, actively working toward developing a business that will be a microenterprise at the time it is formed.

C. Eligible microenterprise activities include the provision of:

1. Grants, loans, loan guarantees and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;

2. Technical assistance, advice, and business services to owners of microenterprises and persons developing microenterprises;

3. General support to owners of microenterprises and persons developing microenterprises including child care, transportation, counseling and peer support groups; and

4. Training and technical assistance or other support services to increase capacity of grantees or subrecipients to carry out microenterprise activities.

4.3 LMI Benefit National Objective

A. Economic activities designed to create or retain permanent jobs, at least 51 percent of which (computed on a full-time equivalent basis) will be made available to or held by LMI persons may qualify under the Job Creation or Retention category of the LMI Benefit national objective.

1. The following requirements must be met for jobs to be considered created or retained:
• If grantees fund activities that create jobs, there must be documentation indicating that at least 51 percent of the jobs will be held by, or made available to, LMI persons.

• For funded activities which retain jobs, there must be sufficient information documenting that the jobs would have been lost without the CDBG assistance and that one or both of the following applies to at least 51 percent of the jobs:
  o The job is held by a LMI person; or
  o The job can reasonably be expected to turn over within the following two years and steps will be taken to ensure that the job will be filled by, or made available to, a LMI person.

• The following requirements apply for jobs to be considered available to or held by LMI persons:
  o Created or retained jobs are only considered to be available to LMI persons when:
    a. Special skills that can only be acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
    b. The grantee and the assisted business take actions to ensure that LMI persons receive first consideration for filling such jobs.
  Created or retained jobs are only considered to be held by LMI persons when the job is actually held by a LMI person.

• In determining whether a job is made available to or held by a LMI person, grantees may presume that a person is LMI if:
  o He/she resides in a Census tract that meets certain requirements (see below); or
  o He/she resides in a Census tract with at least 70 percent LMI persons; or
  o The assisted business is located in an eligible Census tract (see below) and the job will be located within that same Census tract.

• An eligible Census tract is one that is located within a Federally-designated Empowerment Zone or Enterprise Community or a Census tract that:
  a. Has a poverty rate of at least 20 percent;
  b. Does not include part of a central business district (unless the Census tract has a poverty rate of at least 30 percent); and
  c. Evidences pervasive poverty and general distress by meeting at least one of the following criteria:
    1. All block groups in the Census tract have 20 percent or greater poverty rates;
    2. The activity is undertaken in a block group with a 20 percent or greater poverty rate; or
    3. HUD determines that the tract shows other signs of distress (e.g., crime, homelessness, deteriorated housing, etc.)
5 CALCULATING MAXIMUM AWARD / DUPLICATION OF BENEFITS PROCEDURES

5.1 IDENTIFY APPLICANT’S TOTAL NEED
A. Applicants are required to indicate total need in the application for assistance. Need shall be determined based on actual childcare costs as evidenced by documentation from the childcare provider. Such documentation includes but is not limited to weekly/monthly rates charged by the provider and previous invoices from the provider.
B. Neighborhood Services staff must verify that the applicant’s request is associated with an action to prevent, prepare for, or respond to coronavirus. Applicable supporting documentation shall be maintained in the record of assistance.
C. All costs included in the budget must be reasonable and necessary. The applicant must provide applicable supporting documentation.
D. CDBG-CV funds that are double-dipped or duplicated may result in the payback of grant funds.

5.2 EXCLUDE NON-DUPLICATIVE ASSISTANCE
A. Applicants must indicate non-duplicative assistance received or anticipated in the application for assistance.
B. Selection Committee Members must review and evaluate applicant provided data regarding non-duplicative assistance. The grantee must request clarification and/or additional supporting documentation to address any inconsistencies or omissions.
C. Exclude assistance that is:
   1. Provided for a different purpose.
   2. Provided for the same purpose (eligible activity), but for a different, allowable use (cost).

5.3 EXECUTE AGREEMENT FOR ASSISTANCE WITH APPLICANT
A. The contract between the City of Jefferson and the applicant shall include the following provisions:
   1. All additional funds will be reported to the City of Jefferson. If funds are deemed to be duplicative, the award will be reduced and/or the applicant will be required to repay any disbursed duplicative benefit.
6 APPLICATION PROCESS

6.1 APPLICATION REVIEW

Applications and support documentation will be accepted no later than October 31, 2021.

A. Application Submission. Applications will be received in no particular order.

B. Incomplete Applications. Applications will be given to the selection committee on or after November 1, 2021, but not on or before October 31, 2021. Applicants may be informed if additional information is required. Delays in processing due to failure of applicants to provide information will not be allowed to delay the review of other applicants.

C. Complete Applications. Once applications have been certified as complete, the selection committee will review the applications and determine whether they meet program eligibility requirements.

D. Award. Applicants will receive written notice of eligibility and the assistance amount to be provided.

E. Contract. Applicants awarded for program participation must execute a contract prior to receiving any assistance.
7 PAYMENT PROCESS

7.1 CHILDCARE PROVIDER

A. The childcare provider must be a registered City of Jefferson vendor. New vendors will be required to submit a vendor setup form and supporting documents such as a W-9 form (see attached), which are part of the program application.

B. The childcare provider is responsible for obtaining income verification for all interested childcare subsidy applicants.

7.2 REQUEST FOR REIMBURSEMENT

Subrecipients will be responsible for the following:

- Submitting reimbursement forms (see attached);
- Proof of expenditures either by invoice or receipts;
- Proof of payment for expenditures either by receipt or copy of deposited check;
- Documentation for childcare subsidies using the CPD Income Eligibility Calculator showing childcare subsidies and tuition amount and;
- Wages by submitting payroll.

7.3 AUTHORIZATION TO PAY

Upon receipt of the request for payment and associated documentation, Neighborhood Services Division Staff shall process payment. The check shall be made payable to and sent directly to the childcare provider. Checks will be issued and mailed pursuant to the schedule for check production established the City of Jefferson Finance Department.

8 GRIEVANCE RESOLUTION

The overall program is designed to minimize opportunities for misunderstandings. All participants are informed of the precise guidelines for determining eligibility in the program and the program procedures.

However, it is possible that conflicts may still arise during implementation of the Childcare Assistance Program. Responsibility for grievance resolution shall be assigned to the Director of Planning and Protective Services. The City Administrator will act as the final appeal board, if necessary. Procedures for grievance resolution are outline below.

8.1 STAFF RESPONSIBILITIES

The Director of Planning and Protective Services, aided by Neighborhood Services staff, has overall responsibility for program administration and full responsibility for participant eligibility and selection.

8.2 INFORMAL MEDIATION

If an agreement cannot be reached between program staff and applicant/program participant, the Director of Planning and Protective Services shall have the responsibility of mediating disputes. Every attempt will be made to have misunderstandings or disputes resolved within this framework as soon as possible.
A. **Meeting of all Parties.** At the earliest opportunity, a meeting is held with all parties present.
   1. Each party will be allowed to describe the situation, after which the Director of Planning and Protective Services summarizes the points of dispute.
   2. Each point is addressed in turn and either resolved on the spot or referred for later consideration by the Director of Planning and Protective Services at a specified time.
   3. The meeting should also include a discussion of how the misunderstanding or miscommunication occurred so that the situation can be set aside and progress or the rehabilitation continue.

B. **Documentation.** The Neighborhood Services Supervisor will prepare a memo for the case file which records the points of dispute, the discussions which took place, and how the dispute was resolved.

8.3 **FORMAL MEDIATION**
Grievances which cannot be resolved through the informal process described above will be treated as Formal Complaints. Formal Complaints shall be made in writing.

If an applicant/program participant feels aggrieved by an action of the program staff, the owner should submit a written appeal to the Director of Planning and Protective Services. The Director will determine if it is in regard to factual judgments, personal or professional conduct, or subjective interpretations of policy. The Director will respond in writing to the applicant.

8.4 **APPEALS**
Grievances which cannot be resolved through the informal or formal mediation process will be referred to the City Administrator. If the City Administrator determines, upon review of the case files, that the complaint is appropriate for review, the City Administrator will conduct a resolution meeting. Upon making a determination regarding the Grievance, a memo will be prepared for the case file regarding the dispute and the outcome.

9 **PROGRAM ADMINISTRATION**
9.1 **APPLICANT RECORDS**
The City and subrecipient shall maintain the following records for a 3-year period:

A. Application for Assistance, including supporting documentation and certification of other assistance received or anticipated
B. Letter establishing eligibility/award
C. Financial Assistance Agreement
D. Reimbursement Requests with documentation of proof of payment
E. Payment Authorization, associated documentation, and/or records of payment
F. Any correspondence and documentation related to a grievance
9.2 MONITORING AND OVERSIGHT
The Neighborhood Services Specialist will monitor compliance with the financial assistance agreement/clause for up to 3 years following the completion of the activity for which funds were awarded pursuant to the requirements of the Financial Assistance Agreement between the City of Jefferson and the applicant.

9.3 REPAYMENT
If it is determined that the applicant is required to repay any disbursed ineligible or duplicative benefit, the following procedures shall apply:
A. The Neighborhood Services Specialist shall notify the applicant in writing of the determination of ineligible or duplicative benefits and provide instructions requiring repayment of the benefit within 30 days of the date of the determination.
B. Failure to pay back the benefit shall be a violation of the financial assistance agreement and subject to the legal action.

10 EXHIBITS
The following exhibits will be added to the document upon completion:
A. Application
B. Federal Terms and Conditions
C. Procurement Process
D. CDBG-CV Childcare Assistance Program Agreement
E. Reimbursement Request Form
F. W-9 Form