



First Children's Finance

Grant Administration Plan and Grant Guidelines for: Make Way for Kids
The Infant and Toddler Capacity Building Grant Program of
The State of Vermont's Child Development Division
Revised February 2026

Information for Applicants (Grant Guidance)

Overview

As part of our mission to increase the supply of excellent child care, First Children's Finance (FCF) is working in collaboration with the VT Child Development Division (CDD) to administer a grant program to increase the number of infant and toddler child care spaces in the state. **Grant projects should be informed by local community needs and must include either start-up of new programs, the expansion of existing programs that results in additional infant, toddler and preschool child care spaces, expansion that includes non-standard hour care (evenings/weekends) for infants and toddlers, or maintaining capacity in classrooms or programs that might otherwise close.** FCF team members are experienced early childhood education leaders who will provide technical assistance throughout the grant application process and period to support the strength of the application and the project's sustainability.

Who Is Eligible to Apply?

- Organizations, businesses, schools, municipalities, or agencies that currently operate or plan to operate a licensed child care or early childhood education program.
- Currently registered family child care programs that plan to expand to a licensed program.
- Individuals that plan to open a registered family child care home.

- Organizations, schools, municipalities, or agencies with projects or programs that will increase the capacity of infant, toddler and preschool child care/early childhood education for children ages birth through 5 years.
- Child care programs that operate or plan to operate at least 48 weeks per year and offer care for a minimum of 50 hours per week will receive priority consideration during the grant review process.
- Funds made available by CDD require projects to enroll children/families participating in CDD's Child Care Financial Assistance Program and plan to increase the number of infant and/or toddler spaces.
- Programs that are open for fewer than 48 weeks per year but at least 40 hours per week *may also* be eligible to apply for a lesser amount and will be a lower priority to fund.
- Preschool only programs may also apply, but will be a lower priority to fund.
- Existing programs that will expand hours of care beyond 48 weeks and 50 hours are eligible to apply (non-standard hours of care).

Expenses Eligible for Funding

These grant funds are intended primarily to increase capacity for infants and toddlers. Successful applicants will develop a project budget that supports this.

- Minor renovations and improvements to family child care homes or public or commercial buildings that allow for additional infant, toddler or preschool care within the child care site.
- Program changes or improvements to increase total number of infants, toddlers or preschoolers served at the program
- Expenses related to ensuring inclusive environments and meeting developmental needs of all children served.
- Equipment and materials needed to support early learning environments, physical health, and the wellbeing of **children served in newly created child care slots** (e.g., cribs, changing tables, outdoor play equipment, literacy materials, learning toys, etc.).
- Expenses related to offering newly created non-standard and extended hour care spaces (evenings and weekends).
- Training and compensation costs related to workforce recruitment, program start up or maintaining a program or classroom.
- Equipment, materials, and training costs related to ensuring culturally appropriate care for children of all races, beliefs, languages, backgrounds and abilities.

- Expenses related to hiring project support to ensure and increase momentum of the startup or expansion project (project manager, site work, grant writing, architectural expertise, business consulting or training).

Limitations on expenses

- Consumable supplies should not be more than 5% of the overall budget.
- Staffing and professional development expenses should be limited to no more than 25% of the overall budget.
- Project management and other third party project support should be limited to no more than 20% of the overall budget.

Please Note: due to state/federal funding restrictions- Funding for direct construction costs such as building materials, direct labor costs, and subcontract costs associated with the erecting of a new facility or major renovation (structural changes such as major additions expanding building footprint, foundation changes, replace full roof, etc.) are generally **not eligible**.

Available Funding and Timeline

The application will open on March 16, 2026, and applications are due on May 1, 2026 at 3pm. Grants will be reviewed in May, and applicants will be notified of their award or decline to fund decision by June 1, 2026. The first of two payments will be made around June 15, 2026, and projects must be completed by August 7, 2026. Approximately \$150,000 will be awarded in Round Three.

	Application due	First award payment (approx.)	Second award payment (approx.)	Third award payment (approx.)	Project complete
Round one	9/26	11/19	3/17	7/15	8/7
Round two	1/30	3/17	7/15	N/A	8/7
Round three	5/1	6/15	7/15	N/A	8/7

Before You Apply

Successful projects often include these characteristics:

- A planning process that includes stakeholders and results in understanding the child care needs in the community (stakeholders e.g., Building Bright Futures Council, public schools, private community-based early care and education programs, community employers, parents of young children, town/city government, local nonprofits, etc.).
- A project that creates meaningful and equitable access for infants, toddlers and preschoolers, to full-day/full-year child care services.
- A project that will service underserved families and communities.
- Confirmation/evidence regarding the licensing, permitting and zoning process in the community relevant to your proposed project.
- Leadership that includes expertise/experience in early childhood education as well as community support.
- Understanding of and willingness to meet the typical grant conditions for funded projects (e.g., sharing of regulatory history, press release cooperation, business technology systems, documentation of expenses, etc.). *You do not need to implement all of these immediately, but you should be willing to do them during the grant period.*
- The grant funded projects should intend to be completed by August 7, 2026, and open for enrollment no later than December 31, 2026.

Grant Amounts

In this third grant round, CDD and FCF expect to fund 5-10 projects of a variety of sizes. Family child care (home-based) programs can apply for up to \$12,000*. Applicants from child care centers, schools, businesses, municipalities, and other agencies may apply for funds up to \$45,000*. Programs that do not operate or plan to operate at least 48 weeks per year and offer care at least 50 hours per week may be invited to apply for up to \$25,000 for center-based programs and up to \$6,000 for family child care homes.

Partial grant awards may be made based on funding available and/or eligibility of items requested in the application budget. If a partial award is made, grant funding must be spent only on item(s) approved as identified in the grant award letter.

*Eligibility to request funding at higher levels than outlined above will be determined after the consultation process between FCF and the prospective applicant.

Grant funds will be distributed with an initial award followed by periodic payments based on financial reporting by the grantee. Entities awarded funding must provide additional documentation and meet assurances before the release of funding. Your FCF team member can provide you with more information.

Timeline for Grant Process

The grant application deadline is May 1, 2026, by 3PM (ET).

Available now

Recorded grant webinar and guidelines available

May 1 by 3pm

Round 3 Application deadline

May 14

Grant Committee Convenes

June 1

Award Notifications

Around June 15

Round 2 first award payment

Grant Application

All grant applications must be submitted using FCF's online grants management system. FCF staff will share the link directly when your proposed project is determined to be eligible for these funds. The questions below are provided to help you prepare to enter your responses into the online system.

Each application must include **all of** the sections included in the application.

Summary of Application Questions:

- 1) Contact information, eligibility and demographics.
- 2) Please describe your child care program and your current or planned capacity. Describe your planned project.
- 3) How many child care slots will be preserved and/or be added? Please note – you will be asked to report on this result in your final report.
- 4) Describe the need for child care in your community and other community leaders that will contribute to this project's success. Describe how your project will contribute to increased equitable access to child care in your community.
- 5) How will your child care business be sustainable?

- 6) What is the timeline for your proposed project.
- 7) What is the project budget?
- 8) Is the space to be expanded into already licensed space or will it need CDD approval?
- 9) Is CDD licensing aware of this project, and if so, at what phase of licensing is the project?
- 10) Is the property where the child care is or will be located, owned or rented?
- 11) What relevant leases, permits, and/or agreements related to this business project are already in place?
- 12) What does the waste water permit allow for?
- 13) Are there additional zoning considerations?
- 14) What does the Department of Fire Safety allow for?

Note: Grant dollars may not be used retroactively for items or services purchased prior to signed grant agreement.

This grant program is funded through the State of Vermont Agency of Human Services, Department of Children and Families. First Children's Finance is required to comply with the State of Vermont requirements, as it applies to data created collected, received, stored, used, maintained or disseminated. When a grant application is submitted, the following, at minimum, is public information: name, address, number and age of children served, award amount (if any).

The steps in the application process

1. Application – The application will be available beginning March 16 to any eligible applicant that has submitted an inquiry to vtgrants@firstchildrensfinance.org. The link to the application will be provided by FCF staff after an initial consultation. FCF staff will provide technical assistance to potential applicants throughout the application period.
2. Application internal review – When the application period closes, FCF will check applications for completeness and clarity and communicate with any applicants that need follow up. All complete applications will be considered by

the grant review committee. Incomplete applications may be completed for subsequent grant rounds.

3. Application external review – an external grant review committee will review and score all complete applications and make funding recommendations to FCF and the Child Development Division.
4. Final award decisions will be made by FCF and the Child Development Division.

Selection Process

A. The selection process will be the responsibility of a grant committee that will make recommendations to FCF and the DCF CDD. The final selection decision will be made by FCF and the DCF CDD. The grant review committee will consider the following in making their recommendations:

- a. Collaboration: a community-wide approach, working with other stakeholders
- b. Licensing collaboration
- c. Likely to succeed based on project leadership and project business plan
- d. Increase or maintain infant/toddler capacity
- e. Demonstrated need in community
- f. Reasonable budget
- g. Project focus on Act 76 priorities such as: non-standard hours of care, geographically underserved communities, inclusive and culturally appropriate practices and care for children with specialized needs

B. Incomplete proposals may not be considered for funding.

C. Applications that do not meet the grant eligibility requirements will not be considered for funding.

D. Existing programs that are expanding must be in good standing with Vermont child care licensing regulations and the VT Dept of Taxes.

E. Programs must agree to enroll children/families eligible for and participate in CDD's Child Care Financial Assistance Program (CCFAP).

Notification

Applicants will be notified by email in June if their application was awarded funding. Applicants will also be notified if their application is denied. Examples for why an application may not be approved for funding include, but are not limited to, the following:

- Application does not meet the grant guidelines for funding;
- Application didn't engage with FCF on grant technical assistance;
- Applicant/request is not eligible for the grant program;
- Limited resources available within the grant program;

- Incomplete/inaccurate application; and/or
- Applicant scored lower than other applications submitted.

Acceptance

Upon notification of grant awards, applicants must sign a Terms of Agreement document and meet other grant conditions (see Standard Grant Conditions below) prior to receiving funds.

Grant dollars are considered taxable income. First Children’s Finance will issue a 1099 for the grant award. Grantees should work with their tax advisors on how to calculate eligible business expense deductions when reporting the grant to the IRS for tax purposes.

Standard Grant Conditions

The standard grant conditions are listed below. Applicants must agree to these conditions in order to receive grant funds from the Infant and Toddler Capacity Grant program.

- Grant project leadership will engage with FCF staff for monthly technical assistance and grant guidance through the grant cycle. An on-site visit to your program may be identified as part of FCF technical assistance.
- Grantee will provide project/funding information to FCF as requested.
- If the project is not meeting project timeline and grant goals, any unused funds must be returned to FCF as requested.
- Receipts must be maintained for auditing purposes.
- Copies of written agreements will be requested when a lease, purchase or change in ownership is involved.
- Prior approval from FCF staff is required to move more than 10% of funding from one existing grant activity to another.
- Grant funds are intended to be used as described in the approved application. Any requests to make significant changes to the activities described in the application must be emailed to cathyr@firstchildrensfinance.org for consideration.
- Grantee will allow/approve communication from VT’s Child Development Division (CDD) to FCF regarding program licensure status (including licensure portfolio status) and/or provide documents provided by the Child Development Division to FCF as requested.
- New or expanding child care programs must be on track to serve children in accordance with the project timeline submitted with the grant application.
- Program will achieve and/or maintain a QRIS rating (employ qualified teachers/staff and implement a curriculum) if applicable.
- Program is open to the general public and enrollment policies are nondiscriminatory.
- Program enrollment policies include accepting families eligible for CCFAP.
- All child care staff should have submitted updated degree and/or credentials in their BFIS Quality and Credential account by July 1, 2026.

- The source of funds for this grant includes federal funds. These funds cannot be used by your organization as matching dollars for federal grant purposes.
- Program intends to offer child care for a minimum of one year. If the program operates less than one year, the program must work with FCF or its delegate to create a plan to transition the program and/or equipment to new owners, support enrolled families and/or return the grant funds.
- For-profit programs: In addition to the conditions listed above the following requirements also apply:
 - You must maintain the grant funds in a separate account and not co-mingle with other business funds.
 - At least 85% of the care provided must enable individuals to be gainfully employed, looking for employment or full-time students.
 - A W-9 must be submitted and on file at First Children's Finance.

Ongoing Grant Consultation and Technical Assistance

Grant applicants agree to participate in ongoing consultation with FCF prior to submitting a grant application and monthly throughout the cycle of the grant. Technical assistance may include an onsite visit to your program.

Reporting Procedures

Required Reporting: Grantees will be required to complete a final report at the end of the grant period. These reports will document how grant funds have been used, any accomplishments and challenges, and next steps. These reports will include the total spaces (disaggregated by age of children, children receiving CCFAP, specialized care, and children enrolled in universal prekindergarten/Act 166 **when applicable**). Grantees will be asked to submit photos of their completed projects to be used in the evaluation report.

The final report will be required no later than August 7, 2026. Receipts matching the full grant budget should be retained and submitted upon request. Report elements include:

- Report on grant impact
 - Demographics on child care provider and children served
 - Result of funded project/items
 - Narrative description of impact of grant on child care business (and larger community if applicable)
 - Barriers encountered in implementing grant, if any
 - Data on child care slots preserved and/or added
 - Data on child care jobs preserved and/or added
 - Documentation of expenditures matching the budget submitted in application
 - Information on whether or not the grant leveraged additional resources for the provider and their source, if applicable.
 - Before and after pictures
- Final budget reconciliation
- Copies of receipts matching initial grant budget, upon request

For evaluation, FCF will aggregate this information and provide cumulative results in its quarterly and final reports. The evaluation report will compare the information provided in the grant application with the final report for each grantee. This report on

grant impact will include the number of awards by region and provider type, provider demographics, demographics on children served (if known by provider), number of children served by providers receiving grants and number of child care slots and jobs preserved and/or added.

Applications and individual grantee reports will not be discussed outside of First Children's Finance employees, Board of Directors or External Advisory group comprised of key stakeholders or partners. Information will be compiled for reporting to the State of Vermont Agency of Human Services, Department of Children and Families and aggregate information may be presented to the Vermont State Legislature. Grantee name, address and award amount are considered public information and will be reported to the State of Vermont Agency of Human Services, Department of Children and Families. Individual provider information will be reported to the Vermont Department of Children and Families if grant agreements are not honored.