

## Allowable Use of Dream Up! Program Funds – Cohorts 1&2

Through the Dream Up! collaborative community approach, teams of community stakeholders will work to evaluate, plan, sustain, and expand existing child care, and potentially support new child care programs. Dream Up! awarded communities across Wisconsin will receive strategic planning support and \$75,000 in grant funding. Additionally, child care providers who participate in a Business Leadership Cohort in each awarded community will receive \$5,000 stipends once they submit updated business plans for their program(s) **to support implementation of the plans**. The lists below provide additional guidance on allowable uses and additional restrictions.

Dream Up! funds are subject to Federal spending rules found at 45 CFR part 75. The major limitation is the prohibition on capital expenditures. Capital expenditures would include any buying of real estate (land or buildings), making additions or improvements to buildings that materially increase their value or useful life (going beyond ordinary repairs and maintenance), or buying equipment costing more than \$5,000 per unit. The list below provides additional guidance on allowable uses and additional restrictions.

The funds awarded may be spent as follows:

### Allowable Expenditures

#### Dream Up! Grant-Related Costs:

- o Dream Up! related outreach and/or community events (may offer food and non-alcoholic refreshments at a cost of less than \$7 per person, including tips/fees)
- o Administrative costs directly related to Dream Up! grant implementation, such as a percentage of the core team lead's salary for time spent on the project (not to exceed 10% of the total grant/\$7,500)
- o Research/data collection activities to support future planning
- o Dream Up! related marketing/communications to engage the community, promote events, etc.

#### Child Care Program Administration-Related Costs:

- o Expansion costs of existing programs
- o Compensation, bonuses, and benefits for educators and other direct service personnel (e.g., transportation, food services)
- o Recruitment, hiring, and retention costs
- o Professional development activities
- o Staff meeting materials (excluding food and beverage)
- o Professional and community events
- o Business related insurance
- o Building peer support networks
- o Building a pipeline for training future early care and education professionals
- o Start-up of new of new programs and/or transitions from unregulated to regulated

#### Program and Facility-related Costs:

- o Cleaning/PPE materials
- o Technology, such as tablets and computers
- o Upgrading playgrounds (not to exceed \$5,000)
- o Equipment that is not technology or transportation equipment (e.g., a lawn mower, rake, tools for facility maintenance, washer and dryer – not to exceed \$5,000)
- o Furniture and furnishings
- o Utilities
- o Health and safety materials (e.g., carbon monoxide detectors, smoke detectors, radon testing, water testing, fire extinguishers, air filtration device, sprinkler fire system, door security)
- o Minor repairs or renovations (see list of examples)



## Allowable Use of Dream Up! Program Funds – Continued

**Minor Renovation Examples:** (does not change the footprint or primary purpose of the facility, and does not exceed \$5,000 per project<sup>1</sup>)

- o Adding or replacing railings, sinks, floor coverings, or shelving units
- o Outdoor sink
- o Improve inclusive accessibility to individuals with disabilities (rails, ramps, automatic doors)
- o Update sidewalks to provide a safe pathway
- o Updating windows and doors
- o Egress window for a basement
- o Replacing or repainting walls with a non-toxic paint
- o Installing energy-absorbing playground base (wood chips, rubber)
- o Safety fence
- o Renovating bathrooms to ensure age-appropriateness and child safety
- o Kitchen updates (cabinets for proper food storage, fix plumbing issues)
- o Safety improvements (electrical outlet replacement, gates)
- o Updating furnace or water heater
- o Installation of a radon mitigation system

**Programming and Materials That Support Children and Families:**

- o Removing barriers to child care success in the community, reducing operating costs, and ensuring families' access to programs
- o Diapers, formula, food, and other items for children
- o Materials for the learning environment (indoor and outdoor)
- o Curriculum materials
- o Screening and assessment tools
- o Family engagement activities
- o Classroom supplies

**Dream Up! Business Leadership Cohort \$5,000 completion payments** to child care providers acceptable uses include, but are not limited to:

- o Maintaining or enhancing high-quality care
- o Relief from tuition payments for families
- o Compensation/bonuses and benefits for educators and other direct service personnel (e.g., transportation, food services)
- o Recruitment and hiring costs
- o Professional development activities
- o Staff meeting materials (excluding food and beverage)
- o Diapers, formula, food, and other items for children
- o Materials for the learning environment (indoor and outdoor)
- o Curriculum materials
- o Screening and assessment tools
- o Professional and community events
- o Family engagement activities
- o Administrative expenses
- o Cleaning/PPE materials
- o Technology, such as tablets and computers
- o Minor repairs or renovations such as new railings, a new sink, adding a door, a new countertop (does not change the footprint or primary purpose of the facility, and does not exceed \$5,000 per project<sup>1</sup>)



## Prohibited Expenditures:

Dream Up! funding may not be used to supplant other public funding sources including, but not limited to, any state or federal funding. Prohibited expenses include, but are not limited to, the following:

- o Capital expenditures (45 CFR 75.2)<sup>ii</sup> including major renovations, construction, or purchase of land.
- o Real property improvements over \$5,000
- o Purchase of vehicles or other transportation equipment
- o Purchase of gift cards or other gifts as incentives
- o Food and beverage purchases for staff meetings or grant core team meetings (up to \$7 per person is allowable for community events)
- o Travel expenses must be directly related to the implementation of the Dream Up! program
- o Purchase of items for the purpose of sectarian or religious activities.
- o Bad debts, including losses arising from uncollectible accounts and any related legal costs
- o Costs of amusement or entertainment that do not benefit children
- o Cost of idle facilities
- o Costs incurred after the Contract has been terminated
- o Fundraising costs without prior approval
- o Personal or business loans including finance charges
- o Non-sufficient funds/overdraft and ATM usage bank charges
- o Investment management costs
- o Payment of federal taxes
- o Costs of organization of a nonprofit corporation such as incorporation fees or consultant fees
- o Public relations consultant fees
- o Purchase of alcohol, drugs or cost of any associated use for gambling purposes
- o Costs of legal, consulting and accounting services
- o Compensation to the members of the board of directors, if applicable
- o Dream Up! funding cannot be loaned or advanced to individuals, corporations, organizations, public agencies, or private agencies and may not be used as collateral for loans.

Costs should be reasonable, necessary, and well documented. Also refer to DCF's Allowable Cost Manual: <https://dcf.wisconsin.gov/files/finance/fias/pdf/dcfallowablecostmanual.pdf>. If there are any questions for providers or communities on what type of expenses are allowable, please don't hesitate to reach out to DCF at [DCFMBDECEProjectGrowth@wisconsin.gov](mailto:DCFMBDECEProjectGrowth@wisconsin.gov).

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<sup>i</sup> Project is defined as any related costs to achieve a functional purpose, such as demolition, preparation, product/materials purchase, and/or installation. Cost of all items and services to achieve a single purpose and that will be paid for by Dream Up! grant funding must be included as part of a project, and in sum, must not exceed \$5,000.

<sup>ii</sup> The definition of a capital expenditure is any non-expendable, tangible property (or intangible like software) asset having an original acquisition unit cost of \$5,000 or more, and a useful life of more than 1 year. Capital assets could include property such as: vehicles, major appliances, heating/cooling/ventilation systems, land purchases, projects to remodel an existing space, or construct a new building

