



Provider Assistance for Licensing (PAL) Allowable and Ineligible Expense Guidelines

Allowable Expenses

- Minor maintenance, improvements, remodeling and upgrading of designated child care space (must be needed to meet state and local child care standards, including health and safety requirements)
- Building or upgrading playgrounds
- Classroom and learning environment supplies
- Furniture and furnishings
- Start-up and operating expenses
- Business-related insurance
- Utilities

Examples of Allowable Expenses include but are not limited to:

Facility Maintenance and Improvements

- Carbon monoxide detectors
- Smoke detectors
- Radon testing
- Water testing
- Fire extinguishers
- Air filtration device
- Building inspection
- Sprinkler fire system
- Door security
- Vehicle safety alarm installation

Minor Remodeling and Upgrading of Designated Child Care Space

- Outdoor sink
- Improvements to provide inclusive accessibility to individuals with disabilities (rails, ramps, automatic doors)
- Updating sidewalks to provide a safe pathway
- Updating windows and doors
- Egress window for a basement

- Replacing or repainting walls with non-toxic paint
- Installing energy-absorbing playground base (wood chips, rubber)
- Safety fence
- Renovating bathrooms to ensure age-appropriateness and child safety
- Kitchen updates (cabinets for proper food storage, plumbing issue repairs)
- Safety improvements (electrical outlet replacement, gates)
- Minor roof repair
- Updating furnace or water heater
- Installation of a radon mitigation system
- Removing or adding non-load bearing walls to create additional space

Classroom/Learning Environment Supplies

- Child-proofing items
- Adaptive tools
- First aid kit
- Emergency supplies (radio, batteries, flashlight, window covering)
- Cleaning supplies
- Foot-operated garbage cans
- Bottle warmer
- Expenses related to mitigating the risk of COVID-19
- Materials/supplies for enhancing the program environment and curriculum

Furniture and Furnishings

- Changing station/table
- Rocking chair/glider
- Step stools
- Multipurpose tables (art, meals)
- Adaptive furniture
- Cots, cribs, sleeping mats
- Toy shelving
- Multiple-child stroller
- Outdoor play space to meet standards
- Individual child storage space

Start-up and Operating Expenses

- Licensing fees
- Background check fees
- Professional development
- Mortgage/rent/space costs
- Advertising
- Staff recruitment
- Computers

Ineligible Expenses

Major Construction or Renovations

Major renovation means structural changes to the foundation, roof, floor, exterior or load-bearing walls of a facility; or the extension of a facility to increase its floor area; or extensive alteration of a facility such as to significantly change its function and purpose, even if such renovation does not include any structural change.

Examples of Ineligible Expenses include but are not limited to:

- Extension of a facility to increase capacity
- Installation of new roof, driveway, parking lot, etc.
- Construction of a permanent storage shed or outbuilding to store supplies
- Land or building purchases
- Vehicle purchases

In some instances, there may need to be a case-by-case determination of eligibility.

If you have questions about the PAL Project, please contact your coach.