**Yellow Medicine County Deferred Loan program for Family Child Care Providers**

Mission statement:

* Investment in Child Care is important
* Assisting to alleviate barriers to assure licensing requirements can be met
* Safety priorities

Basics of the Deferred Loan

* You are receiving a loan but will not have to pay money back as long as you continue to provide Family Child Care (FCC) services
* The term of the loan is five years. Each year 20% will be deducted from the total owed.
* After 5 years the loan will be completely forgiven.
* If you quit FCC prior to the completion of 5 years you will be expected to repay the remaining amount of the loan.

How does repayment work?

* Upon terminating your FCC business you will be expected to pay the remainder of your loan (based on # of years in operation since date of loan)
* You can pay in full with no penalty or
* You can agree to make payments on the loan. Should you choose this option you will be charged interest at 4% until payment in full is received

How often can I apply?

* Annually or until the individual maximum is reached for that year
* The program will run on a calendar year (January to December) with the exception of year one that will have a time frame of July to December.

How do I qualify?

* Must be licensed or in the process (if in process all requirements must be met with this being last item to be addressed)

How much can I apply for?

* There is a maximum cap of $1,500

What are allowable expenses?

* Home/facility modifications or upgrades required to meet licensure requirements
* Educational curriculum for children
* Equipment
* Safety improvements (fence)
* Match for other grants

What is not an allowable expense?

* Licensing Fees (to include background study and other relevant costs)
* Operating expenses (ex: utilities, food, salaries)
* Prior loan payments

How do I apply and receive assistance?

* Complete the application
* Provide written documentation of the cost of the purchase/expense (contractor or vender estimate, picture of item with costs)
* If approved; you will sign an agreement outlining the expectations (liability, payback, other)
* You will receive a check in the amount approved
* Provide copies of all receipts for which loan was used.
* These must be received at Yellow Medicine County upon completion of the project or purchase of the item(s) OR one month after receiving the loan, whichever comes first.

How long does it take to get the funding?

* After all documentation is received you will be notified you will receive notice of approval/denial in three (3) weeks.

Additional information regarding this program:

* This program will be managed by the Family Service Center
* There will be monthly reports to the Commissioner Board
* There is no guarantee this loan program will continue from year to year. Funding is at the discretion of the Commissioner Board.