



ADDENDUM NO. 3

Childcare Expansion Grant Program Round Two Funding

Child Care Centers

Date of Addendum: August 27, 2026

NOTICE: This Addendum is issued to inform eligible Child Care Center providers of the Center Round Two funding opportunity under the Childcare Expansion Grant Program and to outline revisions to the applicable Notice of Funding Availability (NOFA) and Application Guidelines.

This Addendum is hereby incorporated into and made a part of the NOFA dated September 29, 2023. The following changes, additions, and/or clarifications apply to the Center Round Two funding opportunity. In the event of a conflict between requirements in the NOFA, prior applicable Addenda, and this Addendum, this Addendum shall govern Round Two for Center providers.

All requirements set forth in the applicable portions of the NOFA and prior Addenda remain in effect unless expressly modified by this Addendum. The balance of the NOFA documents remains unchanged.

Applicants must continue to meet all applicable licensing, program, compliance, and reporting requirements of the Childcare Expansion Grant Program.

SECTION 2 – CALENDAR AND FUNDING CATEGORIES

Center ROUND TWO FUNDING CALENDAR

The following calendar is added to Section 2 and applies to the Center Round Two funding opportunity:

Date	Activity	Details
August 28, 2026	Release of Center Supplemental Funding Application	Application made available to eligible prior applicants
September 14, 2026 at 5pm (PST)	Application Deadline	Applications must be submitted electronically via Submittable
Late September 2026	Application Review	VHF will review submitted applications
Late September 2026	Award Notifications	Selected applicants will be notified

October 2026	Grant Agreement and Award Disbursement	Funding will be disbursed following execution of the Grant Agreement
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Center Round Two Program Budget

Additional funding in the amount of \$500,000 is being made available by the County of Santa Clara through the Childcare Expansion Grant Program for grant awards under the Center Round Two funding opportunity.

NOTE: Final funding amounts are subject to confirmation by Valley Health Foundation and the County of Santa Clara.

Funding Category

For the Center Round Two funding opportunity, the funding categories identified in the original NOFA are amended as follows.

- Operations funding is the sole funding category available under the Center Round Two funding opportunity
- Construction/Repairs funding and the construction contingency identified in the original NOFA **do not** apply to the Center Round Two funding opportunity.

Maximum Grant Amount

Center Round Two applicants may request up to a maximum of \$250,000.

VHF anticipates awarding grants to two (2) Center Child Care providers, subject to applicant eligibility, the availability of funds, and approval.

Funding must support the applicant's ability to increase licensed childcare capacity for infants and/or toddlers.

Eligible Uses of Funds

Grant funds will be awarded for a one-year term and may be used for eligible operational expenses that directly support the applicant's proposed increase in licensed childcare capacity for infants and/or toddlers.

Eligible uses of funds are limited to the following:

- Staff wages and benefits
 - Wages and eligible benefits for childcare center staff needed to support increased licensed capacity for infants and/or toddlers.
- Furniture and equipment
 - Durable items necessary to support increased licensed capacity for infants and/or toddlers. Eligible examples may include cribs, changing tables, toddler-sized tables and chairs, safety equipment, and equipment used to prepare meals for children.
- Classroom supplies
 - Consumable and routinely replaced supplies used in the daily operation of the childcare program. Eligible examples may include art supplies and learning materials, paper, markers, and cleaning supplies.
- Staff training
 - Training or professional development directly related to operating the

- expanded childcare program.
- Advertising
 - Costs associated with promoting the childcare program and increasing awareness of available childcare spaces to support enrollment. Eligible expenses may include printed materials, digital or online advertising, signage, and other reasonable outreach activities.
- Licensing fees and other administrative expenses
 - Fees and administrative costs directly associated with obtaining and operating under the increased license capacity.
- Insurance
 - Can be used to cover increases or required insurance costs associated with the expanded program. All awarded grantees will need to provide proof of coverage or obtain coverage using grant funds that meets VHF [insurance requirements](#)
- Minor center repairs and improvements that support licence expansion such as painting, adding child safety gates, etc. To qualify as a minor repair or improvement:
 - The work must be able to be completed without the need for professional contractors such as by center staff or unlicensed handyman; and
 - The total cost must be less than \$1,000 per repair or improvement.
 Repairs or improvements that require permits, inspections, or licensed construction work are not considered minor repairs and are **not eligible for grant funding**.

SECTION 3 – GENERAL GUIDELINES

General Guideline No. 4

For the Center Round Two funding opportunity, the review process described in General Guideline No. 4 is amended as follows:

Center Round Two applications received by the established deadline will be reviewed according to the applicant's previously established **equity score** from the original CEGP pre-eligibility application review process. VHF expects to be able to award applicants from the "Priority 2" pool with Round Two funds. VHF will review applications in rank order based on the equity scores and will continue through the ranked list until all available Round Two funding has been awarded.

Federal prohibition on religious activities

Pursuant to Title 34 CFR 75.52 (a) (3), awarded grantees are prohibited from expending any portion of the Grant Award to inhibit or promote religion and the Project funded by the Grant Award must not be used to convey a religious message or participate in a religious activity (such as organized prayer or worship services) for either program staff or enrolled children. If you have any questions about this grant requirement, please email us at childcare@vhfca.org

SECTION 4 – ELIGIBILITY REQUIREMENTS

Prior applicants that met the pre-eligibility requirements, remain in good standing with CDSS, and were not considered due to lack of funds during Round One are invited to submit a single Center Round Two application, regardless of whether they originally applied for operations or construction under the prior round.

To be eligible to apply, applicants must currently be operating a licensed Child Care Center and must meet the eligibility requirements established in the NOFA, as

amended.

For the Center Round Two funding opportunity, applicants must:

- Have previously submitted an application to the Childcare Expansion Grant Program under the published NOFA and met the pre-eligibility requirements;
- Currently operate a licensed or license-exempt Child Care Center located in Santa Clara County;
- Continue to meet the applicable licensing, compliance, and eligibility requirements established under the original NOFA and prior Addenda;
- Demonstrate the ability to increase licensed childcare capacity **for infants and/or toddlers** and be operating within the increased licensed capacity within 12 months of receiving a grant award; and
- Explain clearly how the requested grant funds will directly support the proposed increase in licensed childcare capacity.

Applicants that were determined to be ineligible, withdrew their application, or otherwise, became ineligible during the original review or award process (Round One), or were unable to proceed due to licensing, regulatory, compliance, or other program-eligibility deficiencies are **not** eligible to participate in the Center Round Two funding opportunity.

Centers that do not intend to expand capacity for infant and/or toddler licensed spaces but seek to expand for other age groups are **not** eligible to participate in the Center Round Two funding opportunity.

SECTION 5 – APPLICATION SUBMISSION

How to Apply

For the Center Round Two funding opportunity, the How to Apply provisions are amended as follows:

- Eligible applicants as described above in this addendum (Section 4 - Eligibility Requirements), will be invited by VHF to submit a supplemental application through Submittable, the designated online application portal.
- Supplemental applications, including all required supporting documentation, must be submitted electronically through Submittable. Paper applications will not be accepted or considered.
- This supplemental application will be reviewed in addition to the originally submitted grant application.

Before completing the application, applicants should review this Addendum and the applicable provisions of the original NOFA and prior Addenda.

Application Deadline: **September 14, 2026, by 5:00PM PST**

Applications received after the deadline will not be accepted or considered.

For assistance with the application process, contact the CEGP team at childcare@vhfca.org

Application Requirements

For the Center Rounds Two funding opportunity, the Application Submittal Requirements are amended as follows:

Center Round 2 Applicants will be required to provide updated information and documentation necessary for VHF to confirm current program eligibility, licensing status, proposed use of grant funds, and the applicant's ability to increase licensed capacity within 12 months of receiving grant awards.

Required information shall include, but is not limited to:

- Copy of current Center license(s)
- Current program and enrollment information
- Significant changes to the program or operations since submission of the original application
- Requested grant amount, not to exceed \$250,000
- Current Center and proposed Center operating budgets that reflect the expected use of grant funds if awarded

Additional details and specific requirements will be provided in the online supplemental application.

SECTION 9 – REVIEW AND FUNDING PROCESS

Funding Process

For the Center Round Two funding opportunity, the Funding Process provisions in Section 9 are amended as follows:

Approved awardees will be notified through a Notice of Intent to Award (NOI), and will be required to submit additional documentation prior to execution of the Grant Agreement.

Required documentation may include, but not limited to:

- Completed and dated W-9 form
- Completed ACH form and voided blank check
- Updated lease or documentation of ownership of site
- Certificate of Insurance (COI) meeting VHF [insurance requirements](#)
- Most recent submitted tax returns for the childcare business

Upon receipt and approval of all required documentation, VHF will issue the Grant Agreement for signature via DocuSign.

Within ten (10) business days after receipt of the fully executed Grant Agreement, VHF will advance payment of the grant funds through ACH in accordance with the terms of the Grant Agreement.

SECTION 10 – COMPLIANCE AND REPORTING

Targeted Outcomes

For the Center Round Two funding opportunity, the Targeted Outcomes subsection is amended to include the following additional outcome:

- Increase the number of childcare spaces through an increase in licensed childcare capacity for infants and/or toddlers, and be operating within the increased licensed capacity within the grant period.

Timeline

For the Center Round Two funding opportunity, the following timeline is incorporated into the Timeline subsection as follows:

The Center Round Two NOFA Addendum No. 3 will be released on **August 28, 2026 at 12:00 PM PST**. Applications will be accepted until **September 14, 2026 at 5:00 PM PST**.

TECHNICAL ASSISTANCE AND QUESTIONS

Questions regarding this Center Round Two funding opportunity should be submitted to:

Childcare Expansion Grant Program
Valley Health Foundation
childcare@vhfca.org

Except as specifically modified by this Addendum, all applicable provisions of the original NOFA and prior Addenda remain unchanged and in full force and effect.

Addendum #3 – Center Round Two NOFA dated August 27, 2026