Virginia’s Child Care Stabilization Grant Program

PAYMENT PROCESSING
Frequently Asked Questions

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Payment processing and timelines
Will my payments come directly from the VDOE?

No. VDOE is working with the Virginia Early Childhood Foundation (VECF) to issue payments to providers. USPS-mailed checks or electronic (direct deposit) payments will come from VECF through their third-party vendor, Bill.com.

What happens after I am approved for payment?

Applications approved for payment are regularly batched by VDOE and sent to our partners at the Virginia Early Childhood Foundation (VECF) for processing. Once received by VECF, awards are uploaded into BILL.COM, and either initiated for direct deposit or a printed and mailed check.

Generally, VDOE batches awards for processing every 1-2 business days. Once received by VECF, awards take another 2-3 business days for processing before being released for payment to providers.

How long will it take to receive my grant funding after being approved for payment?

You can generally expect to receive payment within 2-3 weeks of the date your award was approved for payment if you opt in to direct deposit, or within 4-6 weeks with paper check by mail. Please note that these timelines are estimated averages and that processing times are subject to the volume of applications and system processing. Other
conditions (e.g., incorrect mailing address, delays specific to US mail, etc.) may delay your receipt of payment.

For these reasons, neither VDOE nor VECF can guarantee a date for receipt of payment.

How will I be notified when my payment is on the way?

You will receive an email when your application is approved for payment for the first time.

For second and third quarter payments, you will also receive an email when your award has been issued and is on its way to you. Providers receiving payment from Bill.com will receive an email with an estimated payment timeline. Direct deposits will likely be issued before the automated email from VDOE is triggered.

When will my award status change from “Payment Pending” to “Paid” in the provider portal?

VECF sends VDOE regular reports with a summary of payments that have been issued. These reports are uploaded into the grants system, changing your award status to “paid.” If it has been longer than 3 weeks since your status changed to paid and you haven’t received your payment, please contact childcaregrants@doe.virginia.gov.

Payment methods

How will I receive my grant funding?

You can choose to receive your grant award through US-mailed paper check or direct deposit. If you opt into direct deposit, your next payment will be issued accordingly as long as you have completed the sign-up process with BILL.COM prior to the payment being issued. If the information is not provided in time, a paper check will be issued.

Can I change my method of payment after I’ve already received an award?

Yes, you may change your method of payment at any time by emailing childcaregrants@doe.virginia.gov with your grant number.

Please note that if you request a change in payment method after your awards have already been moved forward from processing, we cannot guarantee that the payment method for the pending award will be updated.
I requested direct deposit. When will I receive the sign-up information?

If you requested direct deposit when you completed the application, you’ll receive an invitation to sign up within a few business days of your application being approved for the first time.

If you initially requested a paper check and later requested to change your method of payment to direct deposit, it may be several weeks before you receive the invitation. VDOE is sending lists of providers that have requested a change in payment method to VECF on a weekly or bi-weekly basis, depending on the volume of requests.

If I elect to receive a paper check in the mail, what will the envelope and check look like?

Below is an example of an envelope from BILL.COM. Note the return address will be from Palo Alto, CA. Once you’ve been approved for payment, keep an eye out for an envelope that looks like this:

![Payment Envelope Example](image)

You could receive a blue check OR an orange check. In either case, you should see the following information:

- In the top left-hand corner:
  - Remittance Info (your application/grant number)
  - Invoice number which will identify which quarter payment you have received.

  See examples below:
  - First Quarter Payment: Inv# ARP00000-1 (for programs that applied between November 1 and November 30) or Inv# ARP00000-4 (for programs that applied between December 1 and December 10)
  - Second Quarter Payment: Inv# ARP00000-2
  - Third Quarter Payment: Inv# ARP00000-3

  - Virginia Early Childhood Foundation (VECF) and VECF’s address and phone number

- In the top right-hand corner:
  - Bank information (will be J.P. Morgan Chase)
Your check number

**Information about Bill.com**

I received an email from Bill.com. Is this a real site?
Yes. VECF uses Bill.com to issue checks and e-payments. Bill.com is a safe, secure site. You will only receive an invitation to make an account with Bill.com if you request direct deposit.

When setting up my account in Bill.com, what should I select for “Industry”?
Please select “General Service Based Business.”

Bill.com is instructing me to create an invoice for payment. Is this necessary?
No. VDOE sends VECF invoices for each program’s award when it is time to be paid.

I have multiple locations. Are we able to create one account for all centers?
Yes. Please contact Bill.com support to request assistance setting this up.

Is there a service fee for receiving e-payments with Bill.com?
There is no Bill.com service fee for **standard transfer** of e-payments to your bank account. Standard transfer will take 4-5 business days once the payment has been processed. If you select the **immediate transfer** option while setting up your Bill.com account, there will be a 1% service fee.

How do I set a Default bank account?
Providers with multiple bank accounts must make a specific bank account the “Default” or “Default to Pay” in order to receive e-payment. You can only identify one bank account to receive payments. To set a default account, follow the steps below:
- Click “Settings”
- Click “Bank Accounts Under Your Company”
- Select the account number you’d like to set as the default
- Click the “edit” icon
- Select “Make Primary” next to **Default to Pay / Default to Get Paid**. The Default will update to “yes,” setting the bank account as Default to Pay/Default to Get Paid.
- Click “Save.”

**Note:** There’s no need to set a bank as default if there is only one active bank. Your bank must be verified before you can set it as default.
How do I open a support ticket with Bill.com?
To access the support center, please go to https://help.bill.com/hc/en-us and click Contact Us to chat with a Support Member. The Bill.com Chat is available Monday - Friday 5 am - 6 pm Pacific Time, closed weekends and most Federal Holidays.

Note that in order to protect each provider, Bill.com will not discuss certain information with VECF or VDOE. It is best to contact Bill.com’s support page and start a chat or request an email response.

Please also note that Bill.com does not have a direct phone number; only a chat or email response is available. In rare cases, you can request a phone call, but it will likely be 1 - 2 business days before you receive a reply.

Taxes

Are the grant funds taxable?
The American Rescue Plan Act did not exempt Child Care Stabilization Grants from taxation. Therefore, regular state and federal tax laws apply.

Please note that neither VDOE nor VECF can provide specific information about how tax laws will apply to your program. Please reach out to an accountant or qualified tax professional with specific questions.

Will I receive a 1099 form?
Yes, unless your program is an S-Corp or a Corporation. VECF will issue 1099 forms to all other child care providers that were issued grant funds in a given tax year. Providers that were issued any funds in 2021 will receive a 1099 in early 2022. Providers that were issued any funds in 2022 will receive a 1099 in early 2023. If you have not received your 1099 by March of 2022 or 2023, please contact childcaregrants@doe.virginia.gov.

1099 forms issued for tax year 2021 may include both ARPA Child Care Stabilization Grant funding as well as funds received from CARES Grants, if providers received funding from both grant programs.

I got a 1099 for 2021 but didn’t receive my funding until 2022. Can I get an updated form?
The inclusion of grant funds in the 1099 form are based on the date the payments were processed, not the date that they were received. If VECF processed your payment before December 31, 2021, that payment will be included on your 1099, even if you didn’t receive your payment until 2022.

Talk to your tax preparer, an accountant, or other tax expert about what to do in this situation—they can help you determine how to proceed.
Are there any resources available for assistance with filing taxes?
You can access free-of-charge guides for understanding the tax implications from receipt of ARPA funds at VECF’s ARPA webpage.

Here are some Volunteer Income Tax Assistance (VITA) options you could consider:

- **Virginia CASH Campaign**: Visit [https://www.vacap.org/eitc-partners](https://www.vacap.org/eitc-partners) for a list of coalition partners offering free tax preparation assistance to ensure that you will receive all eligible tax credits like the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC).
- **GetYourRefund**: Visit [https://www.getyourrefund.org/en](https://www.getyourrefund.org/en) for 100% virtual assistance
- **Tax Time Allies**: Visit [https://taxtimeallies.org](https://taxtimeallies.org) for tools, site locator, social media resources and more
- **AARP** (for individuals age 50+): AARP Tax Aide helps identify locations near you
- **211 Virginia**: Visit [https://211virginia.org/consumer/index.php](https://211virginia.org/consumer/index.php) and search for “tax preparation assistance.”