



MassDevelopment

January 30, 2026

EEOST Small Capital Grant – Consolidated Questions & Answers

This document consolidates questions submitted via:

- Email inquiries received by January 20, 2026, or
- Zoom webinar information sessions held on 1/14/26 and 1/16/26

Questions below are reproduced with only organizational identifying information redacted, and slight grammatical modifications. They are grouped by topic for ease of use, with corresponding answers following each question.

1. Organizational Eligibility (Non-Profit vs. For-Profit entities)

Q: If we are a 100% for-profit business this does not apply to us, correct?

A: Correct. A for-profit entity is not eligible to apply directly on its own. A for-profit provider must be part of a partnership with an eligible non-profit to be considered.

Q: I am a for-profit provider but serve approximately 50% voucher-based families. Does this impact eligibility?

A: The EEOST Small Capital Grant is limited to non-profit organizations. While for-profit providers play an important role, they are not eligible to apply directly. A for-profit provider must be part of a partnership with an eligible non-profit to be considered.

Q: I participated in the webinar about the large EEOST Capital Grant yesterday afternoon and learned because we were recipients of the grant in 2014, we are not eligible for that one. Is the same the case for the small one? I know it says "preferences" will be given to those who have not received it previously, but I wasn't sure if that meant you could not apply.

A: Having received an EEOST Capital Grant in the past (including in 2014) does *not* make your organization ineligible for the FY26 EEOST Small Grant program. Unlike the Large Grant program, prior receipt of an EEOST award is not an exclusion for Small Grant eligibility. The FY26 Small Grant Guidelines explicitly state

under *Eligible Facilities* that: “Organizations that received an EEOST grant in any previous year are eligible to apply for this year’s grant. This also includes sites that have previously received funding.” You are correct that the guidelines note a preference for organizations that have not previously received an EEOST grant. This preference is part of the scoring considerations and does not prevent prior recipients from applying. If your organization meets the core eligibility requirements (non-profit status, licensing, subsidy thresholds, eligible project scope, site control, etc.), you are eligible to apply for the Small Grant.

Q: I am consulting with an after-school care program, and they purchased a building last year, and we are looking at a few development scenarios to expand their programs (serving [municipality redacted] youths in 4th and 5th grades and are expanding into Middle School). It will primarily be a new build, as the existing building is a one-story commercial building, and it's quite small. We will likely be building a three-story building. However, one option looks at renovating the building in place. The non-profit owns and will own the building. Can you help me with eligibility and if I am reading it correctly? I will have our client be on the webinar in January, but I was starting to assemble the proforma and wanted to include a list of potential grants. We are looking at both the small capital grant and the large capital grants.

A: Based on what you’ve described, this does sound like a potentially strong fit for the EEOST Capital Grant program, and you’re generally reading the eligibility correctly. A few high-level points that may be helpful as you’re building out the pro forma and funding stack:

1. **Organizational & Site Eligibility**
If the after-school program is a 501(c)(3) non-profit, licensed by EEC (or will be licensed for the expanded program), serves school-age children, and meets the requirement that at least 50% of enrolled children are from families eligible for public subsidy, they would meet the core organizational eligibility requirements. Ownership of the building is also a plus, as it aligns well with the program’s site control requirements.
2. **Eligible Project Scope**
Both renovation and new construction are eligible under EEOST, provided the project is primarily intended to support licensed out-of-school time or large group care and meets all EEC, building code, and accessibility requirements. A multi-story new build or a substantial renovation scenario can be eligible, so long as the EEOST request is tied to eligible capital uses (health, safety, reconfiguration of space, accessibility, systems, etc.).

3. Small vs. Large Capital Grants

At a high level:

- Small Capital Grants typically support projects in the \$200K–\$500K range and tend to be best suited for discrete renovation or system-focused scopes.
- Large Capital Grants are more appropriate for major redevelopment or new construction projects with larger total development costs.

Which program is the better fit will ultimately depend on the final scope, total project budget, and readiness timeline.

4. Readiness & Timing Considerations

One important thing to flag as you plan: EEOST is a capital program that strongly emphasizes project readiness. For the FY26 round, projects are expected to demonstrate a reasonable path to closing and construction start in calendar year 2026. A project targeting construction in calendar year 2027 may be better positioned for a future funding round, unless portions of the work can be clearly phased and advanced sooner. That said, it absolutely makes sense to start mapping EEOST into the longer-term funding strategy now, especially as you refine concept design and fundraising plans.

Q: As part of this redevelopment, we are finalizing plans for a licensed infant and toddler child care center serving approximately 60–70 children, with at least 50% of enrollment from low-income families eligible for public subsidy. The program will be operated by [organization redacted], an experienced provider with multiple EEC-licensed child care locations, under a long-term lease within our facility.

The project aligns strongly with EEOST objectives:

- **Expansion of early education capacity in a low-income, Gateway City neighborhood**
- **Licensed, center-based infant and toddler care with an experienced operator**
- **Construction underway and not anticipated to be 100% complete during the application or review period**
- **Capital-focused improvements, including classrooms, systems, and program readiness**

Where we are seeking guidance relates to the audited financial statements requirement. While [name redacted] meets the non-profit, site control, and development readiness requirements, our child care partner does not currently have audited financials, which we understand is an eligibility consideration for both the Small and Large EEOST grant programs.

Given the structure of this project — with a non-profit facility owner and a licensed

operator as a long-term tenant — we would appreciate your guidance on:

- 1. How EEOST evaluates eligibility in this type of ownership/operator partnership model**
- 2. Whether there is any flexibility or alternative documentation approach related to the audited financials requirement in this context**

A: EEOST does allow for projects structured as a partnership between a non-profit facility owner and a licensed child care operator. In this case, eligibility and review are primarily tied to the Lead Applicant, which would be the non-profit entity with site control and responsibility for capital improvements. That said, it is very important that the application narrative clearly and deliberately explains the partnership with the tenant/licensed operator, including:

- The respective roles and responsibilities of the non-profit facility owner and the tenant/licensed operator
- The lease structure and duration
- How program operations, staffing, and compliance will be managed
- The percentage of space, enrollment, and program activity attributable to child care use, and how that aligns with EEOST's focus (for example, clearly stating what portion of the facility and overall project is dedicated to early education and care)

Being explicit and quantitative where possible (percent of square footage, percent of children served, percent of low-income enrollment, etc.) will strengthen the application and help reviewers clearly understand the structure.

Audited financial statements are required for submission under the EEOST Small Capital Grant. Applications submitted by organizations without audited financials will score lower and be less competitive, as audits provide an added level of financial assurance to reviewers.

In cases where audited financials are not available, you are strongly encouraged to include alternative documentation that demonstrates sound financial management, such as:

- CPA-prepared financial reviews or compilations
- Recent IRS Form 990s
- Internal financial statements with clear controls
- Documentation of established financial policies or oversight practices

Including this type of material may help offset the absence of audited statements and signal strong financial stewardship.

Q: We are an EEC Licensed-Exempt non-profit school and interested in applying for the EEOST FY26 Small Grant, but we need some clarification regarding the 50% low-income criteria. We do have families who are on the state voucher for either full-time or before/after-school subsidy. Close to 75% of students benefit from sibling discounts Staff children benefits from 25-50% tuition discount. The challenge for our families is that they are very reserved about coming forth with income tax returns to apply for tuition assistance.

A: The first step in eligibility is to be an EEC licensed organization; it's not clear from this question whether your organization is or isn't, but you should confirm that prior to starting an application. In reading the second part of the question, it appears that you are inquiring as to whether a private school offering a tuition discount qualifies towards the student count of those receiving public subsidy. In this case, a tuition discount is not eligible to be used for that criteria as the legislation is clear that it must be a public subsidy.

2. Child Care Licensing & Program Type

Q: Are EEC certified Catholic Schools eligible?

A: Eligibility depends on whether the program is licensed by the Massachusetts Department of Early Education and Care (EEC).

Q: We have Before/After School, Summer and Vacation programs for school age children, as well as Preschool and Infant/Toddler programs. Is this, okay?

A: Based on this description, the program structure appears eligible, assuming all other EEOST criteria are met.

Q: If you are an after-school program in schools and you want to start a center, can we utilize this funding to do that?

A: New sites may be eligible; however, pre-development costs are not eligible. Applicants should review the Guidelines regarding new sites and readiness.

3. Low-Income Enrollment & Public Subsidy Requirement

Q: Does this grant require us to have 50% voucher enrollment?

A: Not necessarily. At least 50% of the site's enrollment must consist of children who

receive EEC child care assistance, attend Head Start, or receive another form of public subsidy. Please see the Guidelines and posted slide deck to review eligible public subsidies.

Q: Just to confirm this grant is only eligible to centers that serve at least 50% low-income families?

A: Correct. The enabling language requires that at least 50% of enrollment consist of children from low-income families eligible for public subsidy. Please see the Guidelines and posted slide deck to review eligible public subsidies.

4. Mixed-Use Buildings & HVAC Eligibility

Q: If our building is not 100% children services and has family development and adult basic education classes, would a new HVAC system still be eligible?

A: It could be. HVAC systems serving entire buildings may be eligible if the improvement clearly supports the health, safety, and quality of the environment for the EEC licensed program.

Q: We recently received the alert regarding the EEOST capital funding opportunity for 2026 and were very excited to learn about the possibility of applying to address some of our current critical needs, including HVAC upgrades and security system improvements. However, upon reviewing the funding guidelines, it appears that eligibility is limited to non-profit organizations only. As a certified Minority- and Woman-Owned Business Enterprise (MWBE) operating a for-profit child care facility, we are actively seeking state and city funding opportunities to address these critical infrastructure needs and to ensure a safe, high-quality environment for the children and families we serve. We would greatly appreciate your guidance on whether there are alternative capital funding programs available to MWBE for-profit child care providers, or if there are upcoming opportunities that may be inclusive of for-profit entities.

A: You are correct that this EEOST capital funding opportunity is limited to non-profit organizations, and for-profit entities are not eligible to apply under this program. We recognize, however, that for-profit and MWBE child care providers play a critical role in meeting the Commonwealth's early education and care needs. While EEOST funding is not available to for-profit providers, you may wish to explore other potential resources, including:

- Energy- or sustainability-focused incentives and grants through MassCEC or local utility programs that may support HVAC upgrades or energy efficiency improvements
- Financing or loan-based programs that support small businesses and MWBE-owned facilities undertaking capital improvements

We encourage you to continue monitoring state and municipal funding announcements, as eligibility criteria may vary by program and future opportunities may be inclusive of for-profit providers.

Q: All services are to low-income families.

A: The enabling language requires at least 50% of enrollment consists of children from low-income families eligible to receive public subsidy. Please see the Guidelines and posted slide deck to review eligible public subsidies.

5. Eligible Uses of Funds (Scopes of Work)

Q: Can we update our main kitchen, where meals are made for children?

A: Yes. Kitchen renovations supporting food preparation and program operations are eligible.

Q: If we plan renovation of kitchen serving students, would that be acceptable though it is not a classroom?

A: Yes. Kitchen renovations supporting food preparation and program operations are eligible.

Q: Are flooring replacement costs due to damage (not cosmetic) covered?

A: Yes. Replacement of damaged flooring is an eligible expense.

Q: Would reconstruction of current playground equipment and materials be eligible for this grant?

A: Yes. Playground reconstruction, including new structures and safety surfacing, are eligible.

Q: Would walkway or damaged tar surfaces for entrance to playgrounds be eligible?

A: Yes, but the applicant should be clear about how these improvements support their EEC programs.

Q: We are looking to retrofit our lighting to smart lighting. Does that fit?

A: No, lighting retrofits do not fit into one of the six eligible program categories. Applicants may, however, wish to explore MassDevelopment's Green Finance PACE program, MassSaves, and related programs for energy efficiency improvements.

Q: Are rooftop solar panel installations allowable expenses?

A: Solar installations may be allowable if part of a broader capital improvement plan and clearly tied to program sustainability. Roof condition and coordination with other incentives must be addressed.

Q: We are interested in applying for the EEOST Capital Improvement Funds and would appreciate guidance on whether roof-top solar panel installations are an allowable expense under this program for our Child Care Center.

A: In general, EEOST capital funds may be used for building and facility improvements that support the health, safety, and long-term operational sustainability of licensed early education and child care programs. Rooftop solar installations may be considered an allowable expense if they are part of a broader capital improvement strategy for the facility and clearly demonstrate a benefit to the program's operations (such as reducing long-term utility costs and supporting financial sustainability).

A few important considerations to keep in mind as you think about including solar in an application:

- The proposed solar installation should be directly tied to the child care facility and supported by appropriate site control.
- The condition and remaining useful life of the roof should be addressed, as EEOST funds cannot be used for installations on roofs that require near-term replacement.
- EEOST funds generally cannot duplicate other public incentives. If you are pursuing other solar-specific incentives or programs (e.g., MassCEC, SMART, federal tax credits), those funding sources should be clearly disclosed and coordinated in the project budget.
- The application should clearly explain how the solar installation supports program sustainability rather than being a standalone energy project.

Framing the solar component within a comprehensive capital improvement plan and clearly articulating the operational benefits to your child care center is recommended

Q: We have a building that needs HVAC updates. We have children's services, family development, and adult basic education. Would this be an eligible application to replace the entire system even though the building is not 100% children's services. All our programs serve low-income.

A: Yes, an HVAC replacement can be an eligible use of EEOST Small Grant funds, even if the system serves the entire building and the building is not 100% dedicated to children's services. We understand that building-wide systems such as HVAC will naturally benefit multiple program areas.

The key consideration for EEOST is that the proposed improvement directly supports the health, safety, and quality of the environment for the children you serve. If the HVAC upgrades meaningfully improve conditions for the early education and care programs within the building, the project can be considered eligible under the Small Grant program.

In your application, you are encouraged to clearly describe:

- How the HVAC system supports classrooms and child-occupied spaces
- The benefits to children's health, comfort, and learning environments

Being explicit in the narrative will help reviewers understand how the investment aligns with the goals of the EEOST program, even though the system also serves other functions within the building.

Q: Can you indicate if expenses related to replacing bathroom flooring due to water damage is an eligible expense?

A: Yes, it is an eligible expense.

6. New Sites, Expansion & Site Control

Q: Can we apply to this grant for a new location (expansion)?

A: New sites may be eligible if licensing, subsidy thresholds, site control, and readiness requirements are met at the time of application.

Q: We currently have an EEC licensed OST child care for 155 slots. We have just purchased the building across the street and will be opening a full day preschool in April/May of this year. We are looking to put in a play area on that new site. Is this

project eligible for funding?

A: Based on what you've described, the installation of a play area is an eligible use of EEOST Small Grant funds, and projects involving outdoor play spaces at early education or out-of-school time facilities are allowable under the program.

That said, eligibility is determined based on the status of the specific project site at the time of application, so there are a few important conditions to keep in mind:

- The new preschool site must have an active EEC license in good standing by the time you submit an EEOST application.
- The project facility must serve at least 50% low-income families eligible for public subsidy as of the application date, which is documented in Tab 3 of the required FY26 EEOST Capital Fund – Small Grants – Application Spreadsheet which can be found here: [FY26 EEOST Small Grant Application Materials](#)
- You must have site control for the new property (ownership or a qualifying lease).
- The applicant must be a tax-exempt non-profit organization meeting all other EEOST eligibility requirements.

If the preschool site is not yet licensed or will not meet the 50% subsidy threshold at the time of application, the project would not be eligible during that cycle. In that case, you may wish to consider applying in a future round once those conditions are in place.

Q: We lease space in a city owned building. Would we qualify even though it is city owned?

A: Municipally owned facilities leased by eligible organizations are eligible if all program criteria are met.

7. Grant Size, Percentages & Matching Funds

Q: Is the minimum ask \$200,000?

A: Yes. The minimum request is \$200,000. Grant awards may not constitute 100% of project costs.

Q: What percentage of the project can be asked for? If the project is \$250,000, what could we ask up to?

A: There is no defined percentage. Reviewers will assess total project financing, other committed funds, and demonstrated financial need.

Q: Is there a required minimum percentage of other financing?

A: No. There is no fixed benchmark. Modest contributions, including from organizational reserves, are acceptable if the project is financially feasible.

Q: Is there any guidance on what a reasonable percentage of other financing we would need to secure to make our application competitive? If we are doing an HVAC project with a \$250,000 budget, would we need to contribute 20%, 10%, 5% etc.? How small could the additional contribution reasonably be? It may be difficult to secure another funder so would it be reasonable for the contribution to come from our own capital reserves?

A: There is no required minimum percentage of other financing for the EEOST Small Grant Program. What we are looking for is whether the project has a complete and realistic financing plan and whether the applicant can demonstrate the capacity to complete the project as proposed.

For an HVAC project with a total budget of \$250,000, it is acceptable for the EEOST grant to fund a significant portion of the project. That said, applications tend to be more competitive when they demonstrate some level of shared investment, even if modest.

A few key points that may be helpful:

- There is no fixed benchmark such as 20%, 10%, or 5% that applicants are expected to meet.
- The additional contribution can come from your organization's own capital reserves; it does not need to be secured from another external funder.
- Even a relatively small contribution can be reasonable, particularly for health and safety-driven projects like HVAC upgrades, if the full project is financially feasible.
- What matters most is that all sources of funds are identified, committed, and documented at the time of application, and that the total sources equal total project costs.

In short, for a \$250,000 HVAC project, it would be reasonable for EEOST to fund the project if your organization can clearly demonstrate that the remaining balance, whether from reserves or another source, is secured and sufficient to complete the work. Be sure to focus on clearly articulating the health, safety, and operational necessity of the HVAC upgrade and ensuring that your sources and uses are well aligned.

8. Applying for Both Small & Large EEOST Grants

Q: Are we able to apply for both the large and small grants for the same organization but different projects?

A: Yes, but each application must propose a distinct scope of work with no overlap in activities, costs, or outcomes.

Q: We are planning on applying to the EEOST large capital grant. Does this disqualify us from applying to the EEOST small capital grant as well?

A: No, applying to both programs would not disqualify you. You may apply for both the EEOST Small Capital Grant and the EEOST Large Capital Grant in the same funding round. However, it is very important that each application clearly proposes distinct and separate scopes of work.

Specifically:

- The activities, costs, and outcomes proposed in the Small Capital Grant application must be different from those proposed in the Large Capital Grant application.
- There should be no overlap in project scope, budget line items, or use of funds between the two applications.
- Each application should stand on its own and clearly articulate the specific capital need it is addressing.
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Q: We received an EEOST grant in the past. Are we eligible to apply?

A: Yes. Prior receipt of an EEOST grant does not make an organization ineligible for the Small Grant, although preference may be given to first-time recipients.

9. Application Process & Documentation

Q: Can we get a preview of all questions in the application?

A: Yes, a sample application with all questions is available on MassDevelopment's website found here [FY26 EEOST Small Grant Application Materials](#); this allows for organizations to collect all relevant materials before starting the application. The required online Cognito Form does allow applicants to save their submission as they go along.

Q: We are planning to apply for EEOST Small Grant funding this cycle. We are

looking for a copy of the full application, so that we can plan and have what we need to have in hand before we start filling out the online form accessed via the MassDev website.

A: Yes, a sample application with all questions is available on MassDevelopment's website; this allows organizations to collect all relevant materials before starting the application. The required online Cognito Form does allow applicants to save their submission as they go along.

(Please note that a sample application with questions was not initially available but was later created and posted after several requests during the first webinar information session.)

Q: Does each category on the Development Budget spreadsheet need to be filled out?

A: No. Only categories relevant to the proposed project and its scopes of work must be completed.

Q: Regarding the small grant application, does each category on the developmental budget spreadsheet have to be filled out, even if improvement is only needed for one category?

A: No, each category on the Development Budget spreadsheet does not need to be filled out if improvements are only proposed in one category. Applicants should only complete the budget categories that are relevant to the scope of work being proposed. For categories where no work is planned, those sections may be left blank or entered as \$0. The key requirement is that the completed portions of the budget clearly and accurately reflect the proposed project scope and align with the narrative description of improvements.

Q: Regarding the requirement for three bids for work, is this necessary for every item?

A: Yes, the program requires three bids. However, we understand that in some circumstances this may be difficult due to the uniqueness of a project. If this is the case, please note this at the end of the application so that reviewers are aware of these challenges.

Q: We are a private non-profit organization recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code. As such, we are not required to file Form 990 or undergo a formal independent audit. However, we maintain strong financial oversight, with financial records prepared and reviewed by an independent third-party accounting firm. We will be pleased to provide complete financial statements for three or more recent fiscal years, including balance sheets, income statements, statements of activity, statements of financial position and any additional supporting documentation required. We would appreciate clarification on whether we may be eligible to apply without submitting audited financial statements.

A: Based on the EEOST Small Grant Guidelines, applicants are required to submit sufficient financial information to demonstrate organizational stability and capacity. While audited financial statements are requested when available, they are not strictly required if the organization is not legally required to undergo an audit. In cases such as yours, where an organization is not required to file Form 990 or obtain an independent audit, your organization may still be eligible to apply. The submission of unaudited financial statements prepared and reviewed by a qualified third-party accounting firm, along with a brief explanation of why audited statements are not required, is acceptable. As you noted, providing complete financial statements for three or more recent fiscal years (e.g., statements of financial position, activities, and related supporting documentation) will help demonstrate fiscal oversight and capacity and should be included with the application.

10. Timing, Awards & Reimbursement

Q: When are award notifications anticipated?

A: Award decisions are anticipated in late spring.

Q: Are awardees eligible to request reimbursement for work completed prior to award notification?

A: Eligible costs incurred on or after January 1, 2026 may be reimbursed once a fully executed grant agreement is in place.

Q: I have a few questions regarding the timing of the EEOST Small Grant:

1. For applications submitted by the February 13, 2026 deadline, when can awardees expect to receive notification and access to grant funds?
2. Are awardees eligible to request reimbursement for work completed prior to the award notification date?

A: Award Notification and Access to Funds: For applications submitted by February 13, 2026, deadline, applicants can generally expect award decisions to be announced later in the spring, following completion of application review, underwriting, and approval processes.

Please note that grant funds are not accessible immediately upon award notification. Awardees must first complete the grant agreement and any required legal or financial closing steps with MassDevelopment.

Reimbursement for Work Completed Prior to Award:

EEOST Small Grant funds may be used to reimburse eligible project costs incurred on or after January 1, 2026, even if those costs were incurred prior to award notification, provided that:

- The costs are eligible under the program guidelines,
- They are clearly documented, and
- A fully executed grant agreement is in place.

Expenses incurred before January 1, 2026, are not eligible.

11. Webinar Materials & COMMBUYS

Q: Will we get copies of the slides or a recording?

A: Yes. Slides and a recording will be posted on the EEC and MassDevelopment websites.

Q: Can you please share the COMMBUYS bid number?

A: Bid Number: BD-26-1037-1CEN0-C0000-123658

Q: I missed today's webinar due to illness. Is there any way to see a recording or slide deck?

A: A recording of today's information session will be posted on the Department of Early Education and Care (EEC) website once it becomes available. In addition, there will be another EEOST Small Grant information session on Friday, January 16, 2026, at 2:00 PM. If you have questions after reviewing the materials, please note that questions submitted by January 21, 2026, at 5:00 PM will receive formal written responses, which will be posted on COMMBUYS and MassDevelopment.com on January 30, 2026.

Q: I attended the webinar this morning on FY26 EEOST Small Grants and had a quick follow-up question for you. While [name redacted] has several items that we could request right now, we unfortunately do not have the Development Team in place or the bids needed to submit a proper request this fiscal year. Is this a grant opportunity that is offered every year? If yes, I will get started now on our FY27 needs.

A: The EEOST Capital Fund has historically been offered on an annual basis, subject to state authorization and funding availability. While we can't formally guarantee future funding cycles, the program has been consistently funded year over year, and planning for a future round—such as FY27—is a very reasonable and prudent approach.

Given what you've shared, use the coming months to:

- Assemble your development team,
- Obtain professional cost estimates or bids, and
- Clearly define project scope and readiness

