Smart Start Workforce Grants
Grant Parameters

Ad Hoc Advisory Group Meeting #13

March 1, 2024

GOALS

- Review stakeholder engagement process and guiding principles for Smart Start Workforce Grants

- Debrief budget address and celebrate the ad hoc committee's role developing this program

- Share proposed parameters for Smart Start Workforce Grants

- Hear perspectives on Smart Start Workforce Grants

Link to Padlet: https://padlet.com/ssmillie2/march-1-child-care-advisory-council-ad-hoc-committee-yjv2awtkxka6pe6w

AGENDA

- Introductions & reminders

- Takeaways from the previous advisory group meeting

- Overview of stakeholder engagement

- Debrief Governor's budget address

- Share proposed Smart Start Workforce Grant parameters:
  - Use of funds
  - Grant award amounts
  - Eligibility
  - Timeline

- Full group Q&A and small group discussion

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Updated transition year advisory timeline

Governor's budget address

Smart Start Workforce Grants cost model, accountability, community engagement

Smart Start Workforce Grants rationale and data, communication, and technical assistance

Smart Start Workforce Grants parameters and implementation, Quality Support and Layered Funding

June 2023

October 2023

February 2024

June 2024

July-October '24 Begin Smart Start grants

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Build **understanding and alignment** on strategic intent and goals

Provide **input and feedback** throughout the design process

Review and pressure-test relevant cost analyses, potential policy options, and administrative options

Surface any **potential risks and opportunities**

Support overall plan development and **champion it among stakeholder groups**

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Common Themes

- Ad hoc members wondered how to support programs with changes in payroll, budgeting, and CCAP enrollment even before eligibility requirements are shared.
- Members suggested TA activities including regional trainings, real-time support, and sample applications.
- Other TA considerations included ensuring the availability of well-trained local experts, providing support in multiple languages, and using a "no wrong door" approach.
- Members suggested sharing information through various avenues including, social media, DCFS, SEIU's METC, and Welcoming Centers.

Questions and Concerns

- Concern that TA for grants will be siloed
- Desire for providers to access assistance without navigating multiple agencies and programs.
- Could there be a required training or webinar in advance of applications to help field and answer questions?
- Is there potential for chat/AI assistance through the website?
- Continued questions about how transition to new agency will impact this work and if existing challenges will be addressed.

Stakeholder engagement and guiding principles

Guiding principles have informed Smart Start Workforce Grants decisions
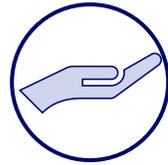
Decisions must be grounded in equity, prioritizing programs with limited access to funding

Decisions must be informed by child care providers and educators who stand to be most impacted by them

The program must stay within the allocated budget and meet the Governor's stated goals

Grants should maximize program reach while also setting a wage scale that creates competitive wages for the field

Grants must provide eligible programs with enough funding to cover the costs associated with requirements

We recognize that we need to make decisions on a timeline with the best information we have

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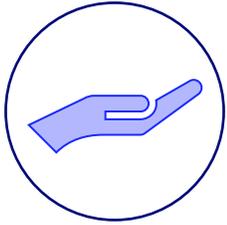
Equity considerations informed Smart Start Workforce Grants decisions

- Center children and families, especially the [ELC priority populations,](#) focusing on racial equity

- Focus on the needs and priorities of historically disenfranchised children and families, providers, workforce, and communities

- Consider how our decisions may benefit or harm historically disenfranchised children and families, providers, workforce, and communities

- Seek the expertise and input from stakeholders already engaged with our historically disenfranchised children and families, providers, workforce, and communities

- Where possible, consider data that provides insight into the relative impact on historically disenfranchised children and families, providers, workforce, and communities

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More than 1,800 child care stakeholders provided input that informed Smart Start Workforce Grants

Spring 2023:
Teach Plus Educator Focus Groups

July 2023:
Cost model data gathered from existing sources

August 2023:
Smart Start Workforce Grants survey

September 2023:
Smart Start Workforce Grants focus groups

Child Care Advisory Council Ad Hoc Committee

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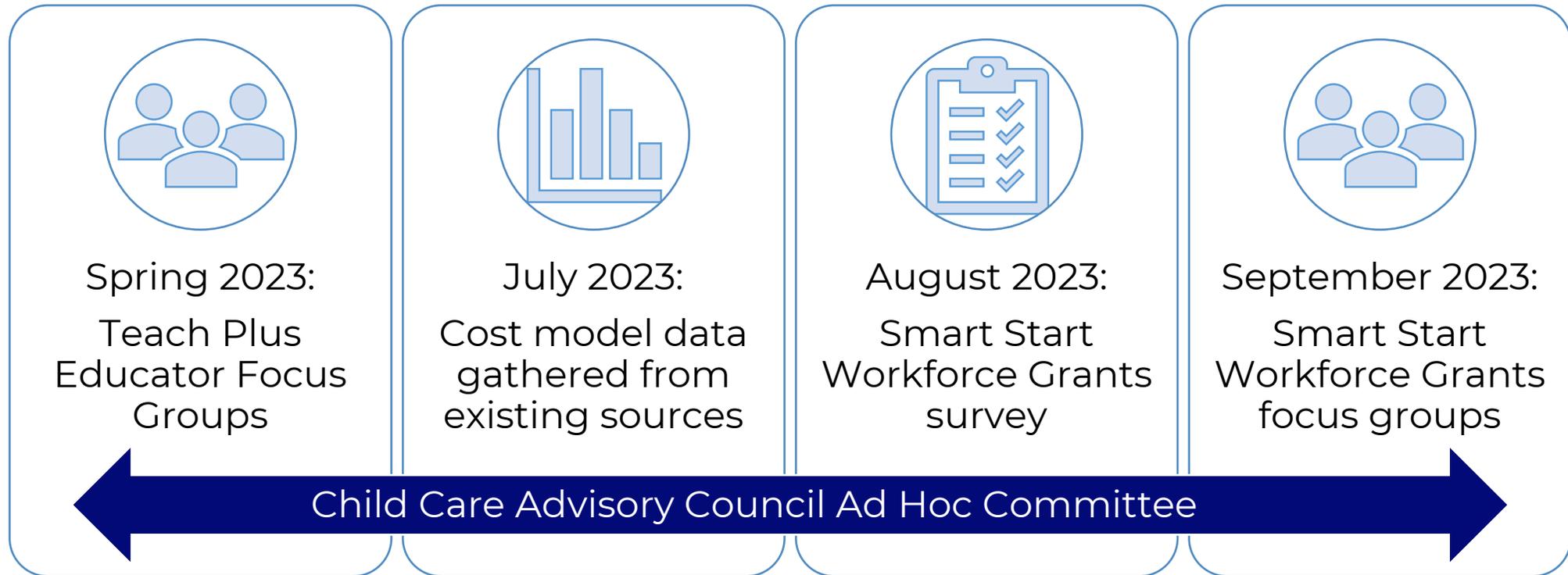
Input gathered from stakeholders informed Smart Start Workforce Grants

Informed updates to a cost model, including increasing preschool classroom staffing and higher non-personnel costs such as rent and supplies.

Supported analysis to **determine priorities** for Smart Start Workforce Grant parameters

Supported planning to **communication** and **training and technical assistance** to meet the diverse needs of providers, including center- and home-based providers.

Guided decision-making about feasible options for **reporting wages**

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Smart Start Workforce Grants are one component of Smart Start Illinois, administered by IDHS and ISBE

IDHS: Smart Start Child Care

- **Smart Start Workforce Grants:** Help child care providers meet a new, higher wage floor for their staff
- **Smart Start Quality Supports:** Invest in increased staffing and compensation for educator credentials

IDHS: Home Visiting

- Expand **Home Visiting** so more families can receive this support

IDHS: Early Intervention

- Invest in **Early Intervention** to enhance services for families and give providers a raise

ISBE: Early Childhood Block Grant (ECBG)

- Increase funding for ECBG to create new preschool seats and improve overall access and care quality

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The Governor's proposed FY25 budget funds Smart Start Workforce Grants with ARPA funding and state general revenue funding (GRF) appropriations

- **$200M** is the proposed annualized cost of the Smart Start program in State Fiscal Year 2024 and State Fiscal Year 2025

- **ARPA funding** would cover Smart Start Transition Grants for July – September 2024 and Smart Start Workforce Grants for Grant Period 1 (October – December 2024)

- GRF funding for Smart Start Workforce Grants begins in January, so Governor Pritzker's budget proposal **represents half of the annualized cost**

Smart Start Transition Grants: Round 4

Smart Workforce Grants: Grant Period 1

Smart Workforce Grants: Grant Period 2

Smart Workforce Grants: Grant Period 3

July– September 2024

October – December 2024

January – March 2025

April – June 2025

◯ ARPA funding

◯ General revenue funding

Smart Start Workforce Grant parameters

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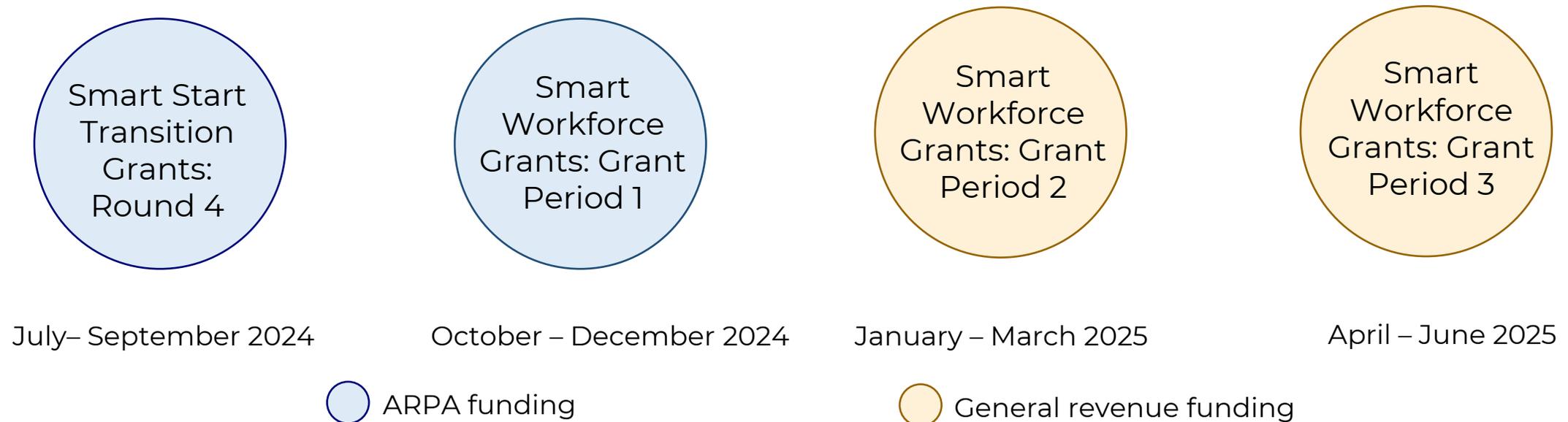
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These **draft parameters** are based on the Governor's SFY 25 Budget proposal.

The General Assembly must submit a budget bill to the Governor for signature in May.

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Smart Start Workforce Grants will invest in programs to pay attractive wages without raising costs for families

- Eligible child care providers will receive Smart Start Workforce Grants to support higher wages for their staff members

- Those who participate in the program must pay teachers and teaching assistants at or above a required wage floor

- All grant funding must be spent on wages

- Illinois is the first state in the nation to implement this type of workforce compensation program

Workforce grant to support wages

Current revenues

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Draft parameters are subject to appropriation from the Illinois General Assembly.

Center-based programs will be required to pay teachers and teacher assistants at least an established wage floor*

Role	Region		
	Group 1A	Group 1B	Group 2
Wage floor for lead teachers	**$19.25 per hour**	**$18.50 per hour**	**$18.25 per hour**
Current median wage	*$17 per hour*	*$16 per hour*	*$15.40 per hour*
Wage floor for assistant teacher or floater	**$18 per hour**	**$17.25 per hour**	**$17 per hour**
Current median wage	*$15 per hour*	*$14 per hour*	*$14 per hour*

*A **wage floor** is a minimum required wage but is different from the legally required minimum wage. For SSWG, the wage floor is a requirement that programs agree to when they accept the grant.*

Group 1A: *Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry counties.*
Group 1B: *Boone, Champaign, Kankakee, Madison, McLean, Monroe, Ogle, Peoria, Rock Island, Sangamon, St. Clair, Tazewell, Whiteside, Will, Winnebago, and Woodford counties.*
Group 2: *all counties not listed in Group 1A or 1B*

Draft parameters are subject to appropriation from the Illinois General Assembly.

Home-based programs will be required to pay teacher assistants at least an established wage floor*

	Region		
Role	Group 1A	Group 1B	Group 2
Wage floor for home-based assistants	**$18 per hour**	**$17 per hour**	**$17 per hour**
Current median wage	*$15 per hour*	*$14 per hour*	*$14 per hour*

*A **wage floor** is a minimum required wage but is different from the legally required minimum wage. For SSWG, the wage floor is a requirement that programs agree to when they accept the grant.

Home-based provider/owners may use the rest of their grant funds for their own compensation, or to invest in their home-based business.

Group 1A: *Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry counties.*
Group 1B: *Boone, Champaign, Kankakee, Madison, McLean, Monroe, Ogle, Peoria, Rock Island, Sangamon, St. Clair, Tazewell, Whiteside, Will, Winnebago, and Woodford counties.*
Group 2: *all counties not listed in Group 1A or 1B*

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Smart Start Workforce Grant Awards

Help is here

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Smart Start Workforce Grants will support center-based programs to increase wages for assistant teachers, teachers, and other program staff

Center-based programs will be eligible for the following grant awards for each classroom:

Classroom type	Annual award	Quarterly award
Smart Start Workforce Grants, Infant/Toddler	**$27,000**	**$6,750**
Smart Start Transition Grants, Infant/Toddler	*$28,000*	*$7,000*
Smart Start Workforce Grants, Ages 2-5	**$24,000**	**$6,000**
Smart Start Transition Grants, Ages 2-5	*$24,000*	*$6,000*

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Smart Start Workforce Grants will support family child care providers to increase their wages and their assistants' wages

*Family child care homes and group homes will receive a **base award of $9,000 annually** and additional funding if they have an assistant, based on the number of hours assistant(s) work*

> "Payment to me is a foreign language because I pay myself from what's leftover once staff and supplies are taken care of."
> – Focus Group Participant

	Assistant weekly hours		Annual grant award	Quarterly grant award
Workforce Grants: Family Child Care Homes and Group Homes	0-20 hours/week		**$9,000**	**$2,250**
	20-60 hours/week		**$16,000**	**$4,000**
	60+ hours/week *(only available for group homes)*		**$23,000**	**$5,750**
Transition grants, Family Day Care Home	*N/A*		*$10,000*	*$2,500*
Transition grants, Group Day Care Home	*N/A*		*$15,000*	*$3,750*

Draft parameters are subject to appropriation from the Illinois General Assembly.

Meeting the wage floor may vary across different programs

ABC Child Care

Before receiving Smart Start Workforce Grants, ABC Child Care, a center in Region 1A, paid starting teachers **$17/hr** and **assistant teachers $15/hr**. With SSWG, they will **raise starting wages to at least $19.25/hr** and **$18/hr** respectively, bringing staff salaries to at least the wage floor.

Sonny's Sunshine Care

Sonny is in Region 2 and operates a family child care program out of her home. She has one full-time assistant who works 40 hours/week. Prior to receiving a SSWG, Sonny **paid her assistant $14/hr**. With the grant, Sonny will **increase her assistant's wage to $17/hr** and **increase her own compensation**.

Draft parameters are subject to appropriation from the Illinois General Assembly.

Home-based child care provider case study

Sonny's Sunshine Care, located in Group 2 with one assistant, would receive a $16,000 annual grant award

Grant Income

Component	Annual Grant Amount
Base Grant (Group 2)	$9,000
Assistant Funding (1 assistant at 40 hours/week)	$7,000
Total Grant	$16,000

Grant Expenses

Expense	Amount
Assistant wage increase ($3/hour increase)	$6,240
Associated costs (payroll taxes, worker's comp)	$549
Total assistant costs	$6,789
Owner compensation increase	$9,211
Total Grant	$16,000

Draft parameters are subject to appropriation from the Illinois General Assembly.

Smart Start Workforce Grant recipients will demonstrate they meet the wage floor

Center-based programs and **home-based programs employing an assistant(s)** will be required to upload **quarterly payroll documentation** showing they meet the wage floor for teaching staff in grant funded classrooms

Home-based programs will be required to upload Schedule C documentation

Draft parameters are subject to appropriation from the Illinois General Assembly.

Smart Start Workforce Grant Eligibility

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Smart Start Workforce Grants program eligibility criteria include:

Licensed centers and family child care

Open and caring for children by the first of the month prior to application

Operate full-day and full-year, defined as a program that is open and offering at least eight consecutive hours of care per day, five days per week, 47 weeks per year

Enroll a minimum percentage (centers) or number (homes) of children receiving CCAP

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Programs must enroll a minimum number of children receiving CCAP in any one month between January 2023 and the date of application* to be eligible for Smart Start Workforce Grants.

Child Care Centers: 15% or more of licensed capacity

Family Child Care Homes: 1 or more

Group Child Care Homes: 2 or more

What we heard from providers:

"Eligibility needs to be predictable throughout the year"

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*January 2023 to date of application represents the timeframe for Round 1 of Workforce Grants and timeframes may shift for remaining grant rounds.

Draft parameters are subject to appropriation from the Illinois General Assembly.

Within a limited budget, CCAP eligibility thresholds prioritize programs in the highest need areas

Where are programs with at least 15% CCAP enrollment located?

SVI Score	% of Eligible Providers	% of Eligible Centers	% of Eligible Homes
Highest Need (SVI of 0.75-1)	41%	33%	46%
Mid-High Need (SVI of 0.5-0.75)	30%	27%	31%
Mid-Low Need (SVI of 0.25-0.5)	19%	24%	16%
Lowest Need (SVI of 0-0.25)	11%	16%	8%

60% of eligible centers and **77%** of eligible homes are located in higher-than-average SVI areas.

SVI- Social Vulnerability Index considers socioeconomic status, household characteristics, racial & ethnic minority status, and housing type & transportation in communities. Higher SVI indicates greater social vulnerability.

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Smart Start Workforce Grants will be awarded by classroom

Classrooms may be awarded funds if they:

- Are funded <u>only</u> by CCAP and/or private tuition

- Meet minimum enrollment criteria

	Age group	Enrollment minimum
Center-based programs	Infants/toddler classrooms	4 children
	Two-year-old classrooms (and transitional 2-3 year-old classrooms)	8 children
	3-5 year-old classrooms	12 children
	Home-based providers*	4 children

*For the purposes of SSWG, home-based providers will be considered "one classroom"

Draft parameters are subject to appropriation from the Illinois General Assembly.

Eligibility for Smart Start Workforce Grants will be similar to Smart Start Transition Grants with a few differences

	Smart Start Transition Grants	Smart Start Workforce Grants
Who qualifies	Licensed centers and licensed family child care Open and operating by 1 month prior to application Full-day, full-year program	**Same as transition year grants**
CCAP Requirements	Must enroll 10% or more of licensed capacity with children receiving CCAP	**Centers:** At least **15%** of program's current licensed capacity enrolled and funded by CCAP **Homes: 1** or more CCAP-enrolled children **Group Homes: 2** or more CCAP-enrolled children
Revenue sources	Less than 75% of total revenues from other public funding streams (e.g., Head Start, Preschool For All)	Classrooms with **only** CCAP and private tuition funding and that meet classroom enrollment criteria

Draft parameters are subject to appropriation from the Illinois General Assembly.

Smart Start Workforce Grants will be awarded quarterly

July 2024	October 2024	December 2024	January 2025	March 2025

Open Application Period 1

Grant Period 1 begins

Open Application Period 2

Grant Period 1 ends

Grant Period 2 begins

Open Application Period 3

Grant Period 2 ends

Key dates in the next six months

May 24, 2024 General Assembly adjourns

May 2024 Training and technical assistance begins

July 1, 2024 Round 1 applications available

July 31, 2024 Round 1 applications due

Draft parameters are subject to appropriation from the Illinois General Assembly.

Smart Start Workforce Grants decisions align to guiding principles

Smart Start Guiding Principles	Smart Start Workforce Grants Decisions
Decisions must be grounded in equity, prioritizing programs with limited access to funding	Grants focus on **programs serving children receiving CCAP** *and* account for **raising wages** for home-based providers and their assistants.
Decisions must be informed by child care providers and educators who stand to be most impacted by them	Smart Start Workforce Grants were informed by **community engagement** with over 1,800 programs providing input on costs associated with running their programs.
The program must stay within the allocated budget and meet the Governor's stated goals	Smart Start Workforce Grants require programs to **serve more children with CCAP** than Smart Start Transition Grants. With a lower overall budget for SSWG, eligibility criteria increased.
Grants should maximize program reach while also setting a wage scale that creates competitive wages for the field	Smart Start Workforce Grants are estimated to reach approximately 4,000 programs, which is **62% of full day licensed child care programs in Illinois**.
Grants must provide eligible programs with enough funding to cover the costs associated with requirements	The **cost model was updated** and accounted for the cost for an average program to raise starting wages by at least $2-$3 to the wage floor.
We recognize that we need to make decisions on a timeline with the best information we have.	Smart Start Workforce Grants decisions reflect a **year of planning**.

Q&A and Discussion

Small Group Discussion

We will split into **four** groups to hear from you and respond to these questions:

- What excites you about the details unveiled today for SSWG?

- What materials or information do you need so that you can share and discuss this with your networks?

- What supports will be most effective to help providers to prepare while we await appropriation from the Illinois General Assembly?

- How can IDHS-DEC support providers to mitigate any lingering concerns?

Next Meeting Date: **April 5, 2024, 11-1pm**

Meeting topic: Smart Start Workforce Grants Implementation

Open Survey for Feedback:
https://forms.gle/3DPPyPUcPQiTgbwX9

Additional Engagement Opportunities

- Policy and Procedure Manual Review
- Cost Model Walk Through

Sign up for one or both here:
https://forms.office.com/r/FszwpMTTPn