



# Smart Start Child Care

Ad Hoc Advisory Committee Meeting #26

**May 5, 2026**

## GOALS

- Strengthen connections and build community among committee members
- Share information about the transition to IDEC
- Share information about Smart Start Workforce Grants participation and awards
- Follow up on questions raised in the March meeting
- Reflect on and celebrate ad hoc impact over FY 2026

## AGENDA

- Welcome and introductions
- Illinois Department of Early Childhood Updates
- Smart Start Workforce Grants Updates
  - Final FY26 Highlights
  - Follow up from March ad hoc meeting
  - Small group discussion
- End of Fiscal Year 2026: Celebration and Reflections
  - Ad hoc impact
- Public comment

## Public Comment Instructions

- We set aside dedicated time for public comment at the end of the meeting.
- If you would like to provide public comment, please send a private chat to Karen Bruning. We will take comments in the order Karen receives the names.

**Help**  
is here



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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 to **champion it among stakeholder groups**



## Common Themes

- Ad hoc attendees (members and participants) shared concerns about the Smart Start Workforce Grants budget after seeing Rounds 3 and 4 totals above the budgeted amount.
- Ad hoc attendees shared that limited capacity and competing administrative duties may lead to programs not renewing (i.e. missed deadlines for funding requests or reporting).
- Ad hoc attendees also highlighted that more frequent messaging, additional TA/support, and targeted efforts to reach programs nearing deadlines may be needed, especially for FCCs.

## Questions and Concerns

- Ad hoc attendees wonder about more details on program renewal trends, specifically looking at programs that don't submit a funding request and those that do but are found ineligible (likely for incomplete reporting).
- One group noted that while 80% of programs felt supported by their local expert, 20% of programs reported not feeling supported, and are curious as to why and if more information can be shared.
- Ad hoc attendees were interested to learn more about programs utilizing limited waivers and who might be impacted if limited waivers are not approved in FY 27.

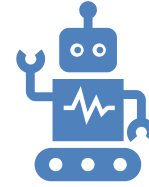


# Illinois Department of Early Childhood Update

March 2026



# IDEC Monthly Tech Talks



Our Tech Talks aim to promote transparency in our transformation efforts for early childhood. We seek early and continuous questions and feedback to guide the work and ensure the best results for the Illinois early childhood community.



**Transformation Updates**



**Live Q&A**



**Recorded Demos**



**Progress to Goals**

## IDEC Tech Vision

Deliver secure, modern solutions that improve experiences and access to essential services for families

**Licensing: May 13, 2026  
5:30-6:30pm**



**MAR** Childcare Finder



**APR** Grants



**MAY** Licensing



**JUN** Data Hub



**JUL** Subsidy

# Smart Start Workforce Grants

Final FY 26 Highlights



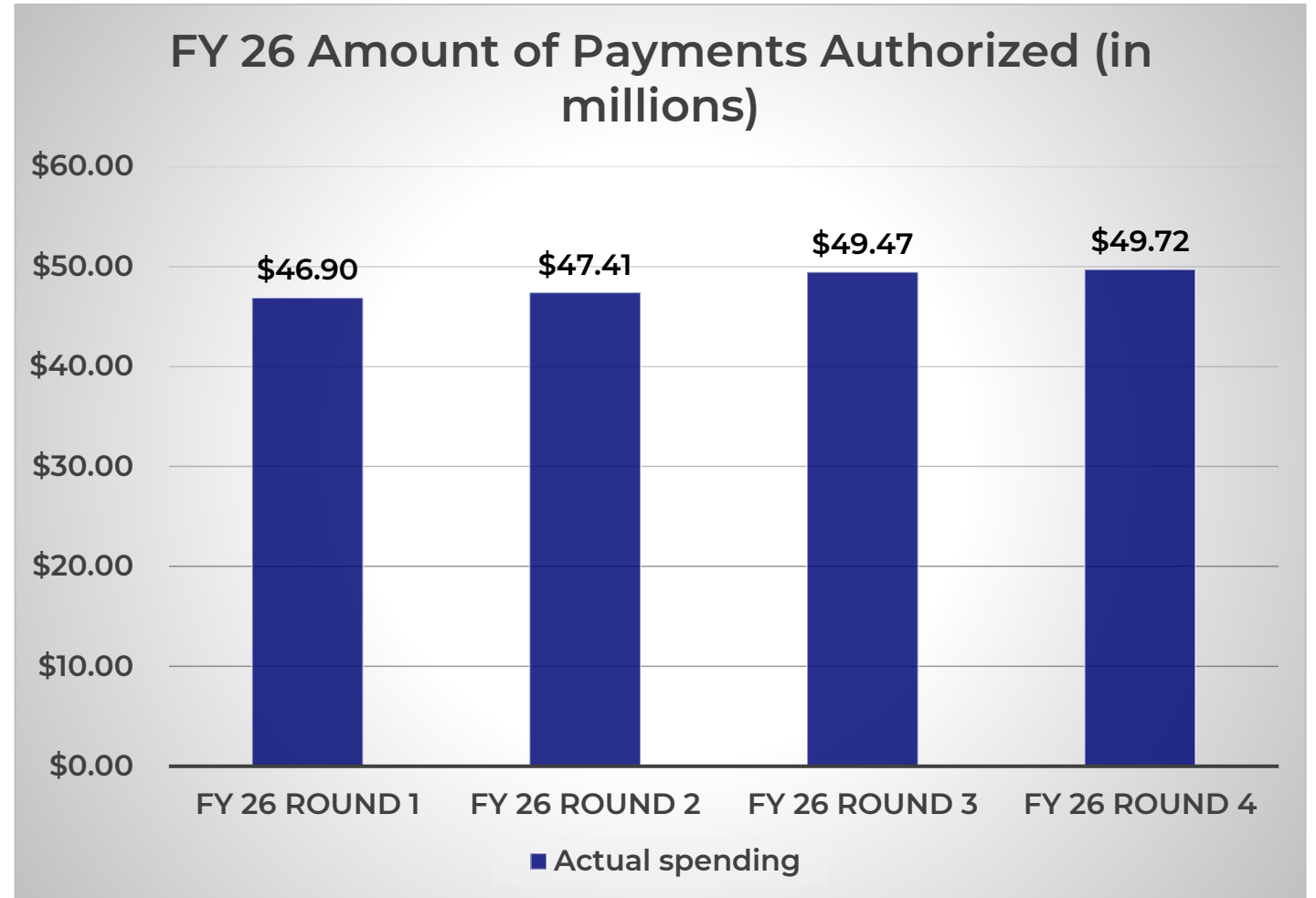
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Across all rounds in FY 26, Smart Start Workforce Grants were awarded to 4,282 unique child care programs at a total cost of \$193.5 million.

Unduplicated count of programs awarded funds in FY 26 through Round 4:

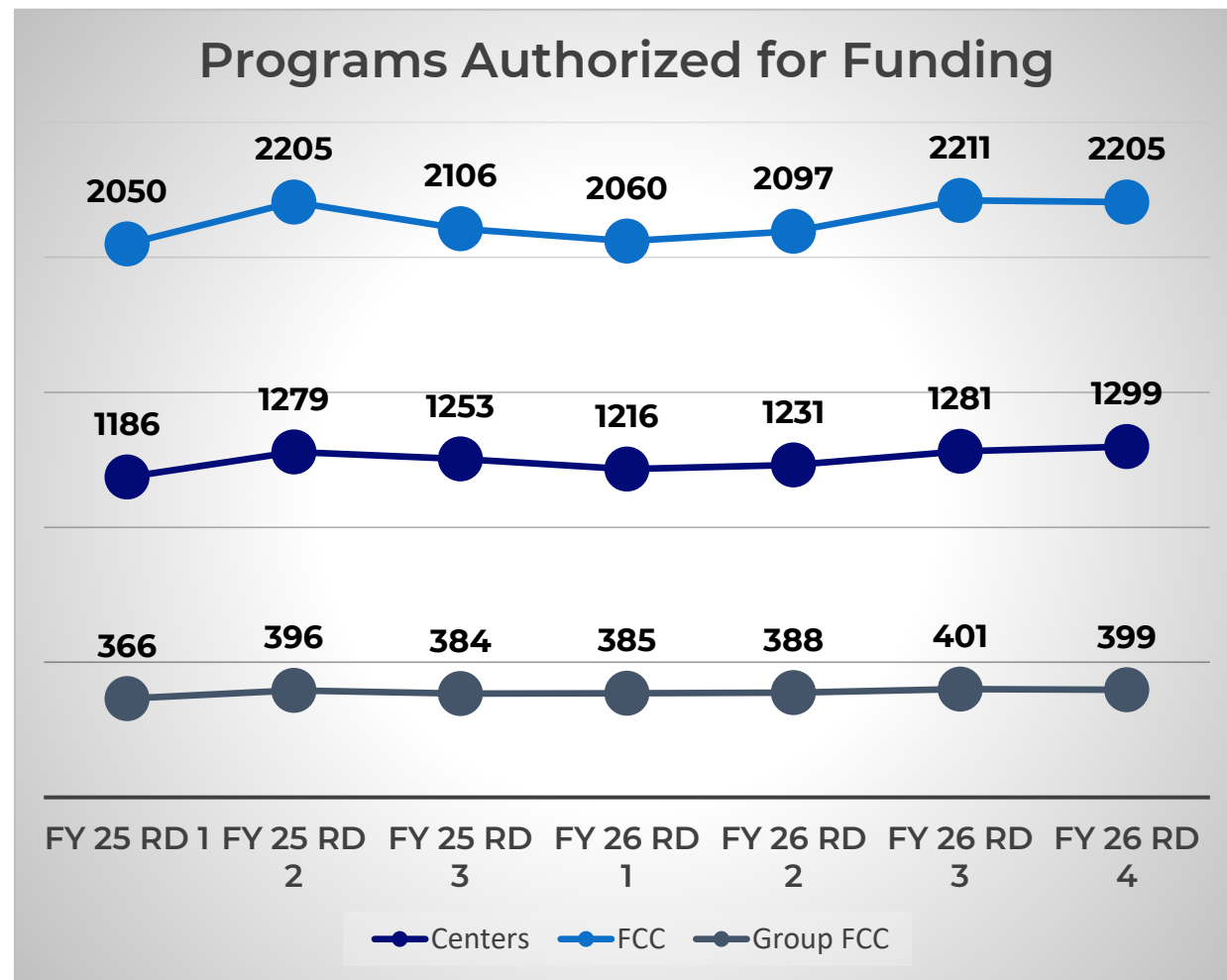
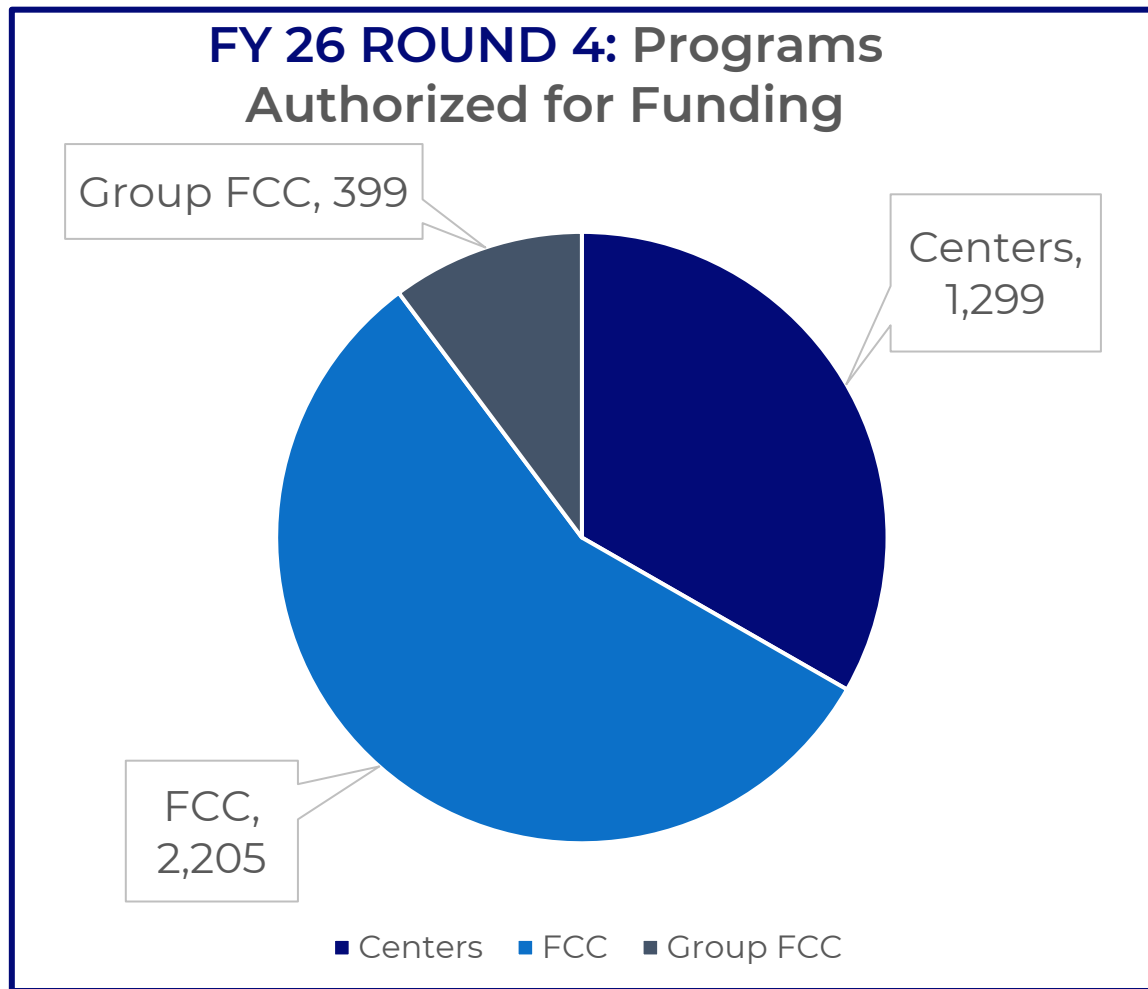
- 1,389 centers
- 2,449 family child care homes
- 444 family child care group homes
- **4,282 total programs**

*\*Totals reflected here are subject to change based on final analysis*



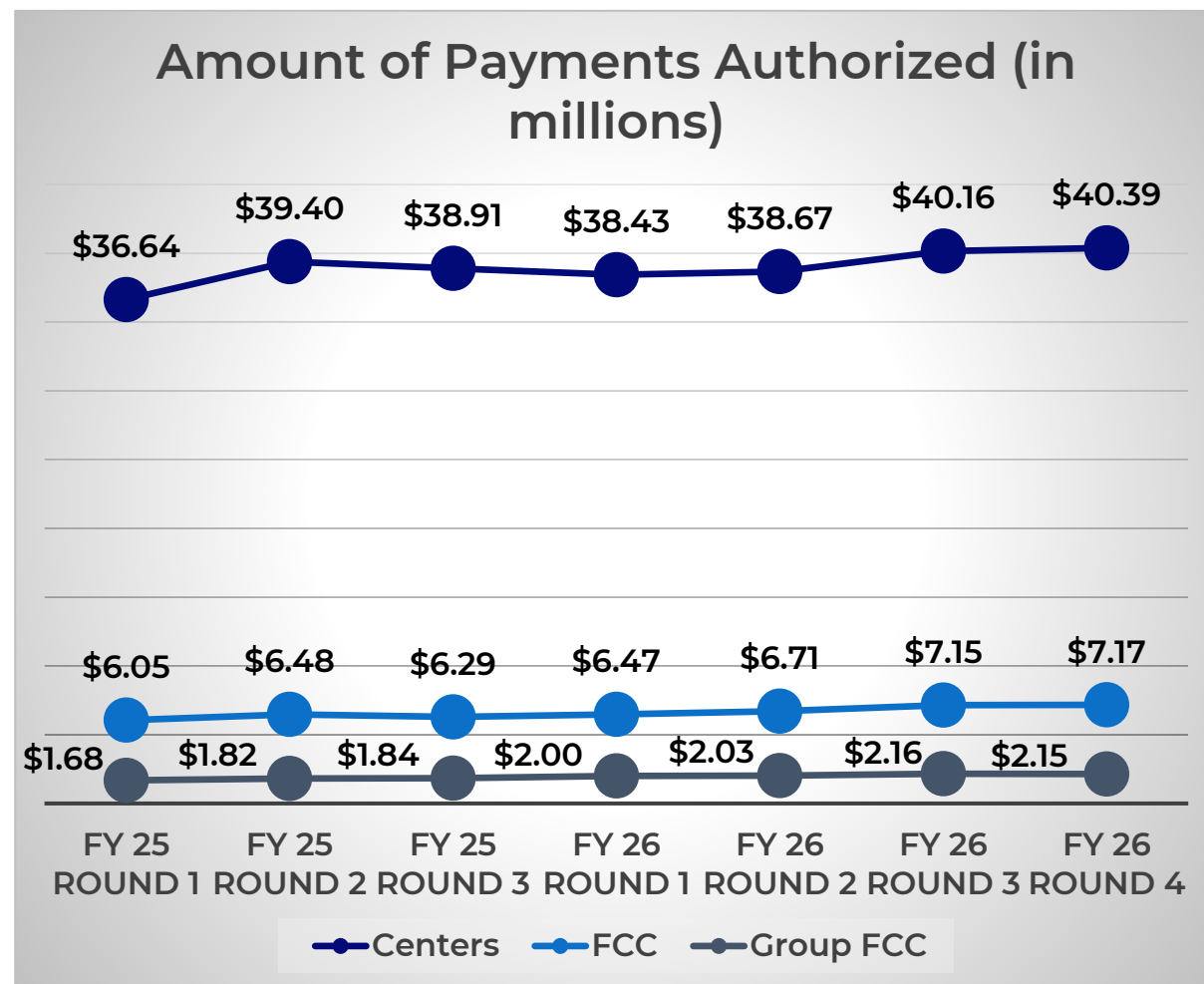
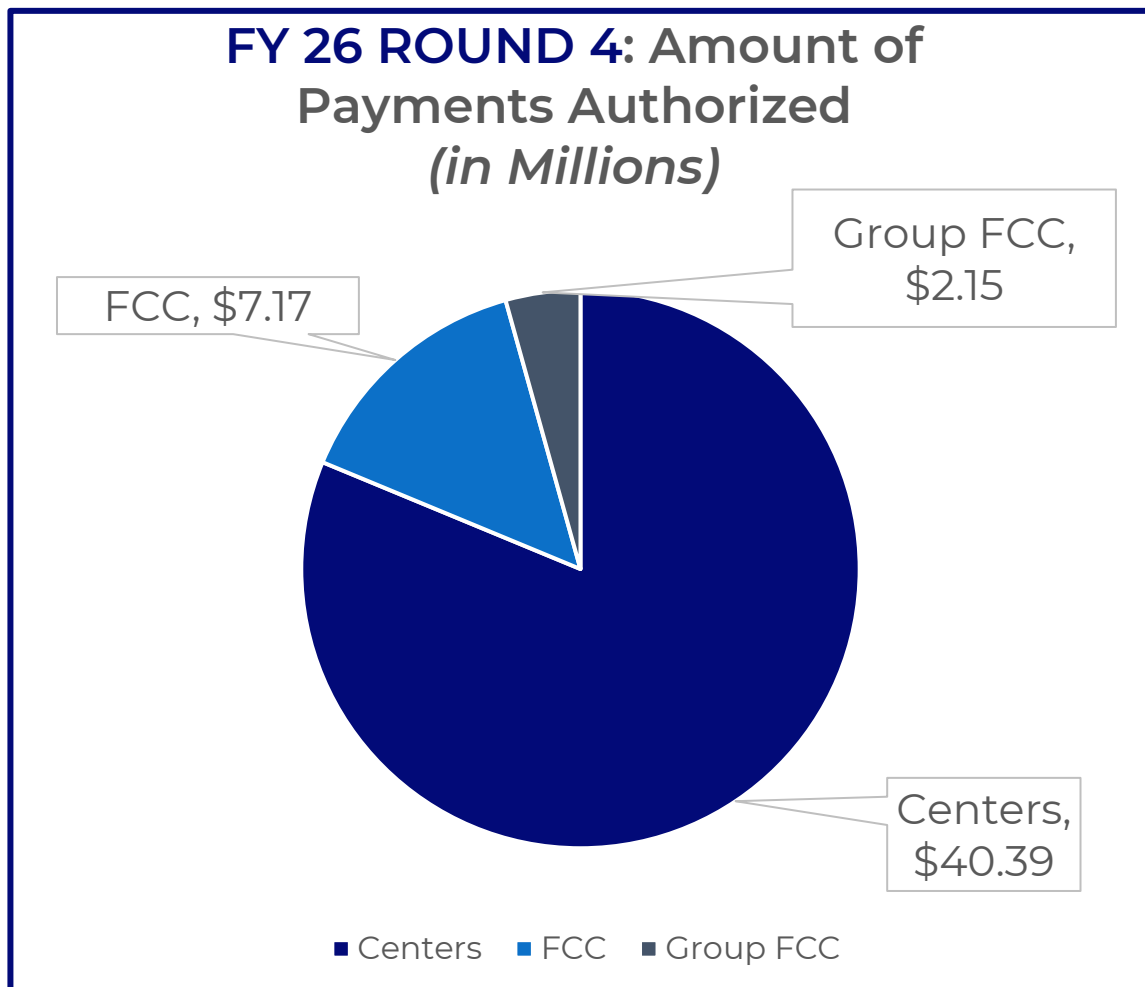
\*The budgeted amount for grant awards is \$48 million round, or \$192 million over the year.

3,903 programs have been awarded Smart Start Workforce Grants for FY 26 Round 4.



\*Totals reflected here are subject to change based on final analysis

Spending for Smart Start Workforce Grants is above budget of \$48 million, with \$49.72 million awarded in FY 26 Round 4.



\*Totals reflected here are subject to change based on final analysis

# Smart Start Workforce Grants

Additional analysis and follow-up  
from March discussions



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## SSWG Follow-up Topics

- **Reasons for non-renewal between rounds**
- Budget projections and limited waivers

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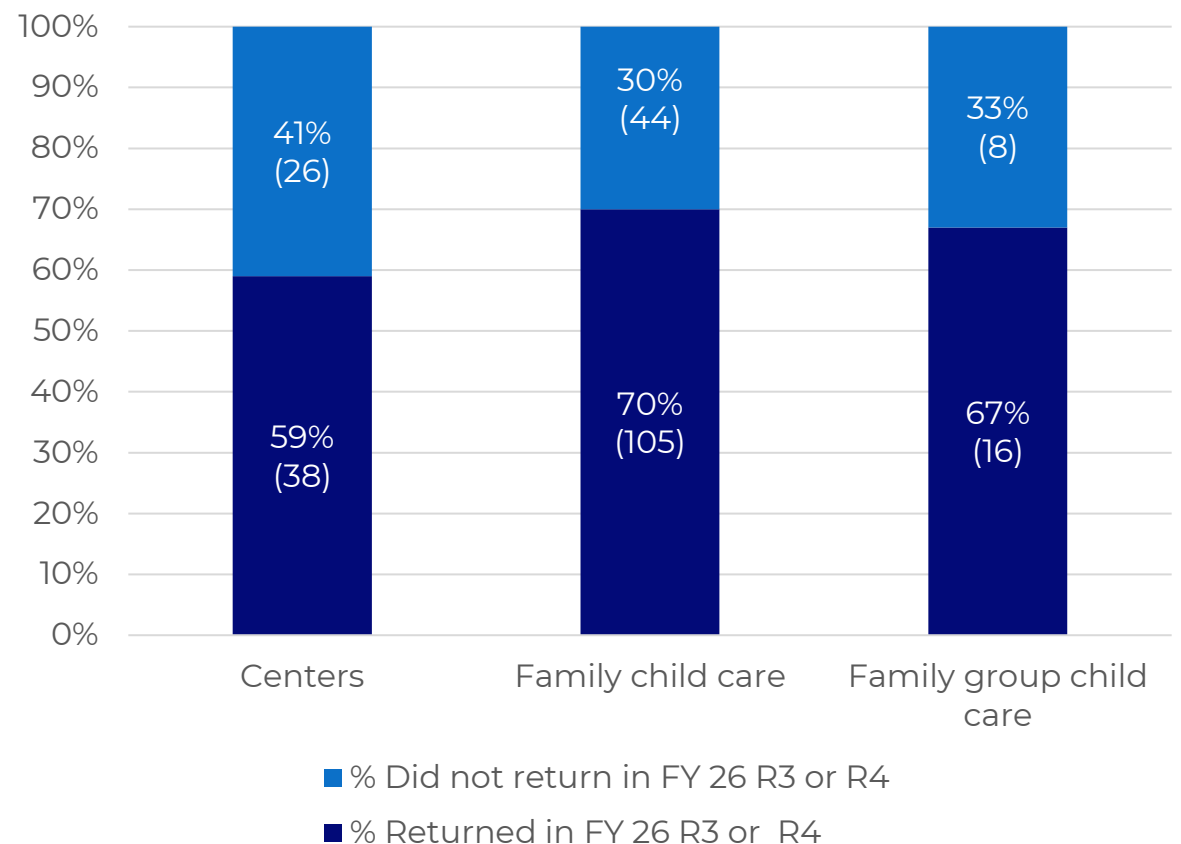


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## Programs who skip one round tend to re-engage within the next round or two

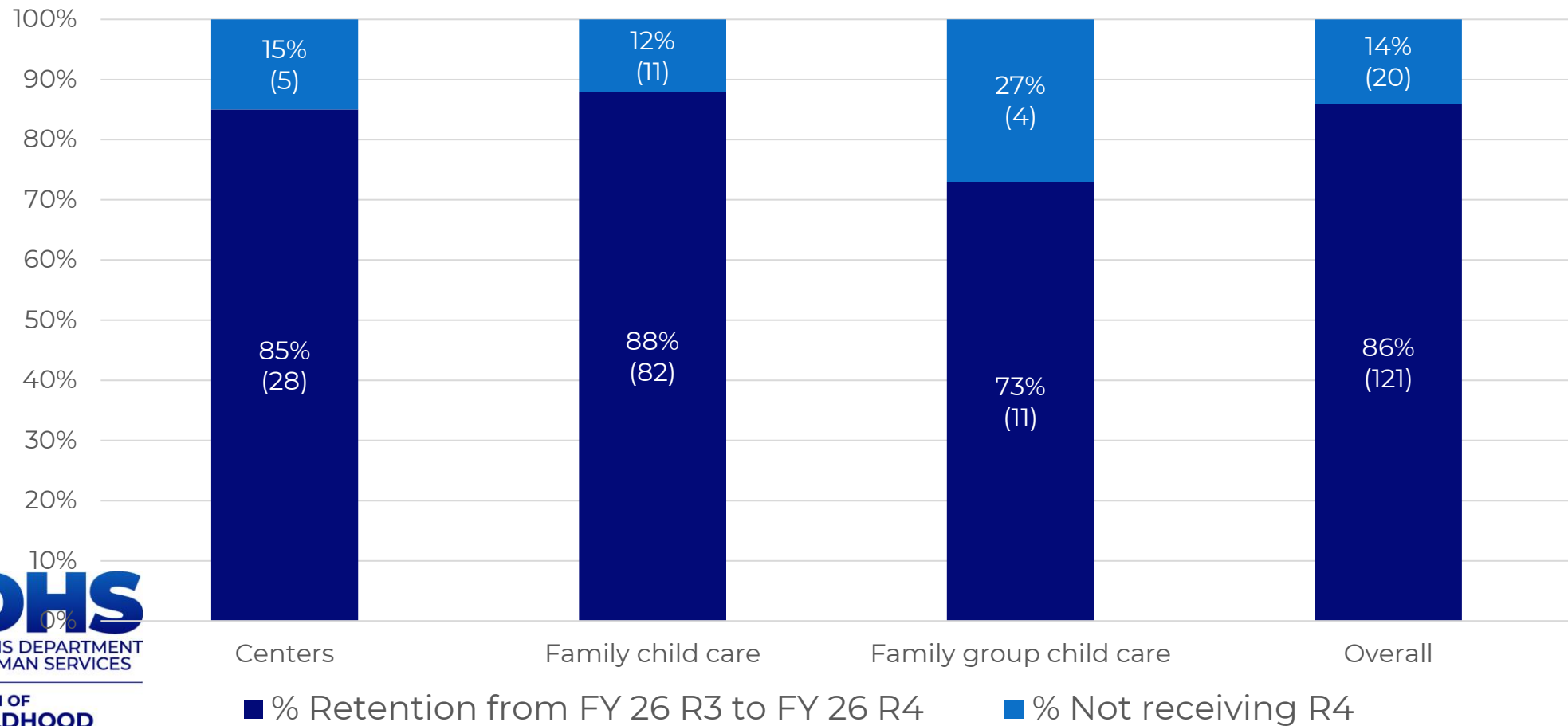
- 237 programs received FY 26 Round 1 awards and did not return in FY 26 Round 2, **67% (159 programs) returned in either FY 26 Round 3 or FY 26 Round 4**
- **FCCs and FGCCs returned to the program at a faster rate** after missing one round.
  - 70% (105 programs) of FCCs returned in either FY26 Round 3 or Round 4
  - 67% (16 programs) of FCC group child care returned in either FY26 Round 3 or Round 4

Return rates after missing FY 26 R2



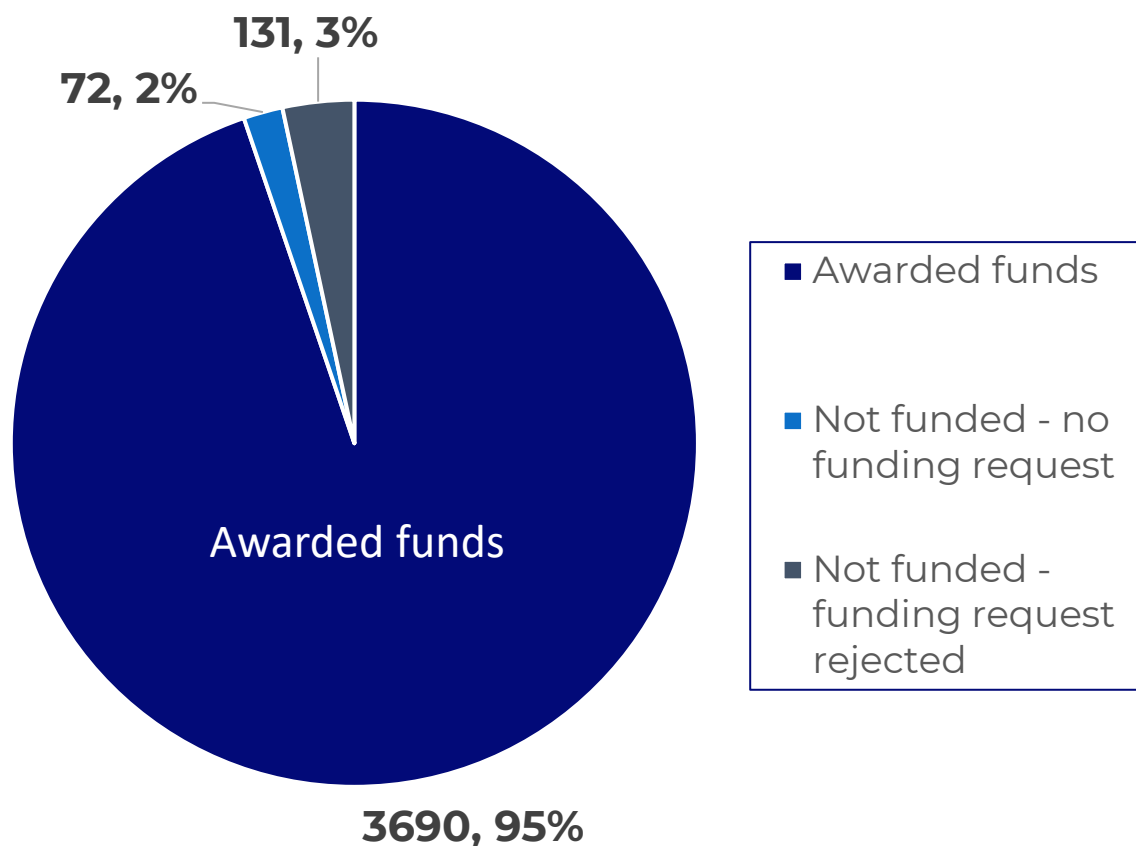
## For programs that missed FY 26 Round 2 but returned in FY 26 Round 3, 86% stayed in FY 26 Round 4

Retention between FY 26 R3 & FY 26 R4 after missing FY 26 R2



## Programs were not funded because they did not submit a funding request or their funding request was rejected

Retention between FY 26 Round 3 and Round 4



	Did not submit funding request	Funding request rejected*
Centers	17 (39%)	27 (61%)
FCC	47 (35%)	88 (65%)
FGCC	8 (33%)	16 (67%)
<b>Overall</b>	<b>72 (36%)</b>	<b>131 (65%)</b>

*\*Most common reason for rejection was not completing and/or submitting required reporting.*

## Reporting is a critical component of Smart Start Workforce Grants to ensure the best use of funds

### Example: FY27 Round 1 Funding Timeline

June and July 2026	Funds paid to participating programs
July 2026 – September 2026	Funding use period
October 31, 2026	Round 1 Quarterly reporting deadline
January 4, 2027 – February 12, 2027	Applications and missing documentation (including FY26 Round 1 reporting) required for FY 26 Round 4 funding

- There is a **grace period of ~3 months** after the reporting deadline to complete reporting before a program is not able to receive future funding.
- Participating programs receive **several email communications with reminders** for upcoming deadlines.
- Local experts receive regular updates on missing documents and **support programs with technical assistance**, including **direct outreach and reminders**.

## Small Group Discussion

- What stands out about the data shared?
  - What resonates?
  - What is surprising?
  - What are you curious about?
- What do we need to be thinking about regarding providers that miss a round and return?



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## SSWG Follow-up Topics

- Reasons for non-renewal between rounds
- **Budget projections and limited waivers**

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# Our goal is to maintain a strong and viable program that continues to support early childhood educators while responsibly managing the available funding.

In the past, ad hoc members have emphasized the importance of *consistency and stability for current grantees as a priority.*

Scenario 1: Eligible applications total less than budget



No change

Scenario 2: Applications are near or equal to available budget



Make adjustments to remain within the allocated budget

Scenario 3: Applications are greater than available budget



### Ad hoc feedback (April 2025)

If applicants exceed the available budget in future Smart Start Workforce Grant rounds, Ad hoc participants:

- Advised **prioritizing current Smart Start Workforce Grantees** to preserve trust and stability.
- Warned that any **reduction in** Smart Start Workforce Grants **amounts could lead to layoffs** and would **erode trust**.
- Cautioned that a **long-term freeze on new applicants could lead to resource inequities** for those who are not yet receiving SSWG.

*All proposed funding levels are subject to appropriation from the Illinois General Assembly.*

## Multiple factors were considered when evaluating the available options to stay within budget

### Criteria:

- Allowed by **statute and administrative rule**
- Aligned to **guiding principles** and **equity considerations**
- Anticipated **cost savings**
- **Possible to implement** with current technology and systems

FY 27 Projection summary: If the same number of programs apply and are eligible for funding in FY 27 Round 1, **projections indicate the program will be over budget.**

Scenario 1: Eligible applications total less than budget



*No change*

Scenario 2: Applications are near or equal to available budget

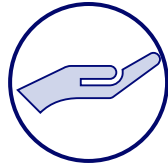


Make adjustments to remain within the allocated budget

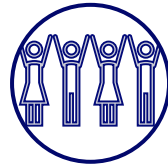
Scenario 3: Applications are greater than available budget



## Guiding principles have informed Smart Start Workforce Grants decisions



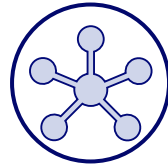
Decisions must be grounded in equity, prioritizing programs with limited access to funding



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

## Administrative rules do not allow for many options to prioritize programs and/or funding. Viable options include the following.

### **Do not allow limited waivers**

- Classrooms that do not meet enrollment or staffing expectations do not receive funding
- Primarily impacts center-based programs

Allows all eligible programs to participate in SSWG

### **Programs are selected on a first come, first served basis until funds run out**

- Programs receive funding based on when they submit their application

Some eligible programs would not be able to participate in SSWG

### **Reduce award amounts**

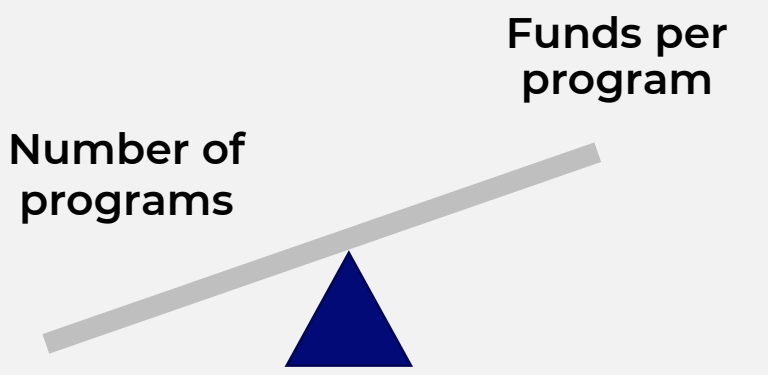
- Programs receive less funding per classroom and funding may not be enough to meet the wage floor

All eligible programs could participate in SSWG with less funding if still able to meet the wage floor

# Weighing tradeoffs in FY 27

Of the available options for staying within the budget for FY 27, not allowing limited waivers, most closely aligns with the guiding principles

**Limit participation**  
*through first come, first served*

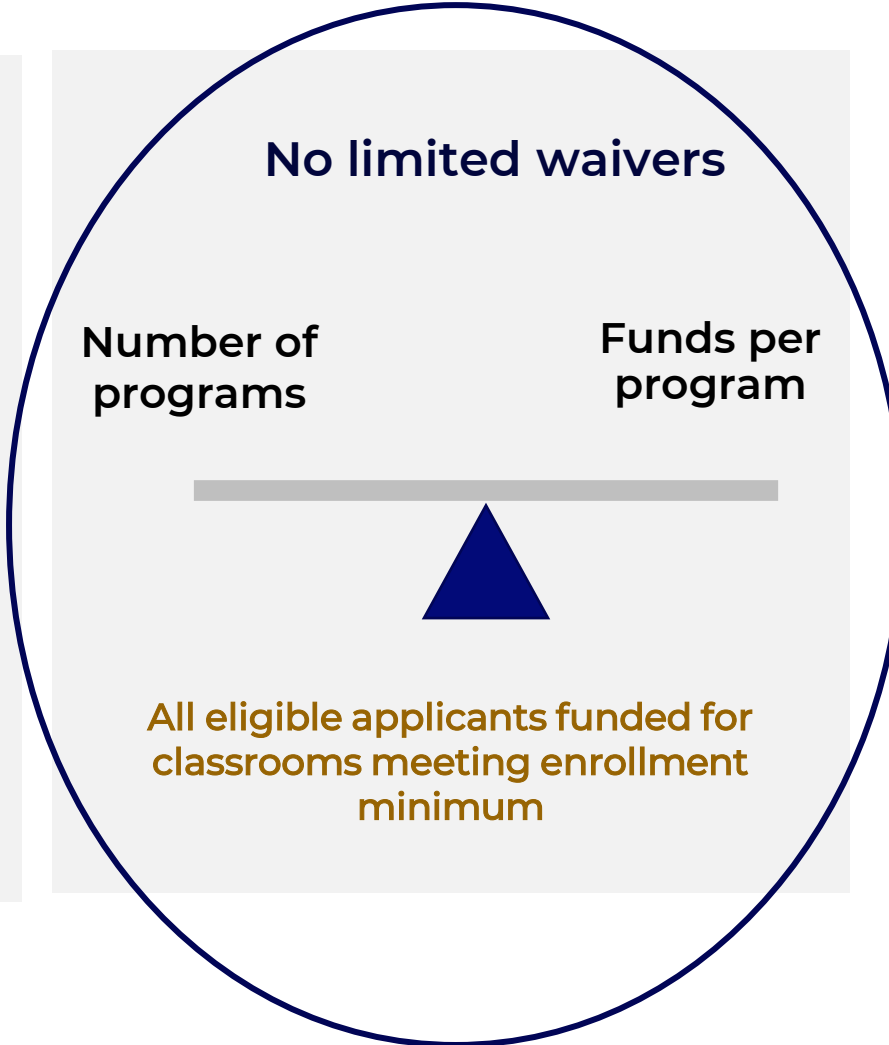


Number of programs

Funds per program

Fund all classrooms regardless of enrollment, not all eligible applicants will be funded

**No limited waivers**

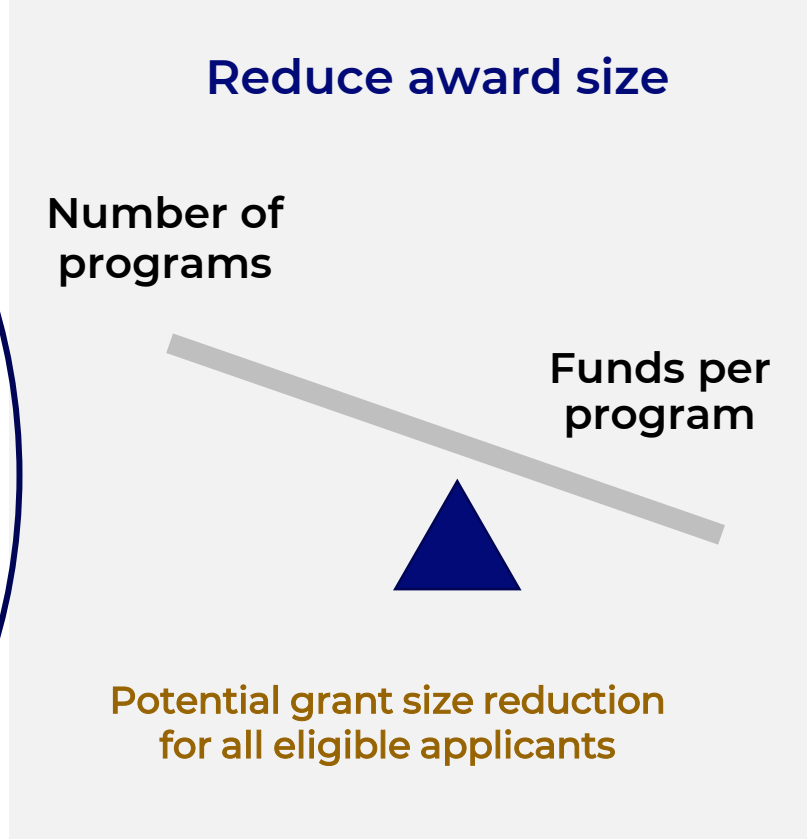


Number of programs

Funds per program

All eligible applicants funded for classrooms meeting enrollment minimum

**Reduce award size**



Number of programs

Funds per program

Potential grant size reduction for all eligible applicants

## What do we know about programs utilizing limited waivers?

- Refresh on classroom minimums and limited waiver purpose
- Limited waiver cost and trend over time
- Limited waiver use



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## Smart Start Workforce Grants require programs to enroll a minimum number of children per classroom to be eligible to receive funding

	Age group	Enrollment minimum
Center-based programs	Infant/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 are considered "one classroom"*

### Classroom minimums:

- SSWG awards are **expected to cover wage increases for 2.5-3 educators per classroom in center-based programs.**
- Classroom **staffing expectations were developed through reviewing survey data, focus groups, and the Gateways workforce registry data.**
- **Enrollment minimums are not ratios;** they state how many children are expected in a classroom
- **Enrollment minimums are well below group size limits for licensed programs.**

## Waivers were designed as a short-term support for programs with enrollment fluctuation or recruitment challenges

### FY26 Annual Waivers Requirements

For programs with limited space and capacity (i.e., classroom is licensed for fewer children than enrollment minimum)

- Centers: Receive a reduced amount
- Family Child Care/ Family Group Child Care programs: not eligible for assistant funding.
- Must be renewed each fiscal year

### FY26 Limited Waivers Requirements

For programs with low enrollment or lack of staff

- Centers: 1 waiver covers 1 classroom. Programs may apply for 1 waiver per classroom, with a maximum of 3 waivers within a program each grant year.
- Family Child Care/ Family Group Child Care programs: May be granted 1 waiver per grant year.
- Award amount does not change

## The use of limited waivers has declined over time

Limited Waivers	
Grant Year/Round	# Waivers Given
FY25 Round 1	483
FY25 Round 2	382
FY25 Round 3	278
<b>FY25 Avg per Round</b>	<b>381</b>
FY26 Round 1	277
FY26 Round 2	202
FY26 Round 3	273
FY26 Round 4	166
<b>FY26 Avg per Round</b>	<b>230</b>

Note, this is number of waivers, not programs using waivers.

In FY2026, limited waivers have primarily been used by center-based SSWG participants, typically due to low enrollment.

Dimensions	Details
<b>Use of waivers</b>	<b>34% (469) of centers</b> participating in SSWG used a limited waiver in FY26; only about ½ of those used more than one <b>3% (77) of FCCs</b> participating in SSWG used a limited waiver
<b>Setting Type</b>	86% of programs who used <b>waivers were center-based programs</b> in FY26
<b>Reasons for Limited Waivers</b>	Across all settings and regions, most limited waivers (over 95%) issued were due to <b>low enrollment</b> (not staffing)
<b>Age Range</b>	Most limited waivers were for <b>preschool classrooms (73%)</b>
<b>Regional Variation</b>	The highest usage was in Group 1A, <b>outside City of Chicago</b>

## Large Group Discussion

- What questions do you have about limited waivers?
- Does anything surprise you or get your attention with the data presented?
- What reflections would you like to share about the approach to stay within the budget through no longer offering limited waivers?



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# FY 26 Reflections and Celebrations



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## This group has provided valuable input to guide the Smart Start Child Care Program

### The process allowed for:

- Offering insights and experiences from the field and surfaced critical questions about program implementation
- Developing guiding principles to inform approaches and decisions for Smart Start Workforce Grants
- Including members who were impacted by Smart Start Child Care programs
- Engaging members of the public and inviting them to join small group conversations

### Meaningful outcomes:

- Creation of a sustainable program- Smart Start Workforce Grants- that will transfer over to IDEC
- The ad hoc provides a model for how providers can offer meaningful advice and guidance

## In FY26, the ad hoc provided insight and asked critical questions about a number of topics

### Smart Start Workforce Grants

- Round-by-round application, funding award, and participation reports
- Reporting and audit data
- SSWG impact on wages
- Training and technical assistance approaches
- FY 27 budget prioritization

### Smart Start Quality Supports

- Family child care co-design engagement and analysis
- Quality Growth Incentive
- FY 26 SSQS implementation updates and additional engagement

## Pause for Padlet

- Where have you seen your input (or the group's input) most clearly reflected in SSWG or SSQS decisions?
- How has this process elevated the voices of providers, especially those historically underrepresented (e.g., FCC, providers serving priority populations)?
- Where is deeper engagement or co-design still needed (e.g., FCC, workforce supports, quality measurement)?



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# Public Comment

## Next Steps

### Next Meeting:

Friday, July 24, 11 AM – 1 PM

### Open Survey for Feedback:

<https://forms.gle/3DPPyPUcPQiTgbwX9>

We encourage you to lend your voice in transition engagement opportunities across various platforms at IDEC. Sign up for the IDEC newsletter to stay informed at [www.idec.gov](http://www.idec.gov).



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Thank you!