



Smart Start Child Care

Ad Hoc Advisory Committee Meeting #27
September 9, 2026

Today's Goals

- Share IDEC updates
- Communicate information about Smart Start Workforce Grants FY27 Round 1 participation and awards
- Provide updates on policy decisions & communications for FY27
- Gather ad hoc feedback on options for staying within the Smart Start Workforce Grants budget for FY 28

Today's Agenda

- Welcome and Introductions
- Illinois Department of Early Childhood Updates
- Smart Start Workforce Grants FY27 Round 1 Funding Highlights and Policy Updates
- Smart Start Workforce Grants FY28 Planning
 - Small Group Discussion
- 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.

Reminder: Role of the Committee



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**

Summary of Ad Hoc Advisory May 2026 Meeting



Common Themes

- Ad hoc members **discussed FY27 budget options** and described how eliminating limited waivers was the better option among those presented
- Members noted the **importance of technical assistance** to access SSWG funding and suggested additional outreach strategies
- Members urged **prioritizing programs with least access** to other funding sources and **monitoring impact of any updates** to the program.
- Members described the **value of the ad hoc committee** and hoped to see this sort of advisory group continue after the transition to IDEC.

Questions and Concerns

- Ad hoc members wanted to know more about **barriers family child care (FCC) providers face with reporting** and how TA can be more supportive.
- They flagged more **Spanish and multilingual-speaking TA staff are needed** to support FCC providers.
- **Additional analyses** suggested:
 - Effects of losing SSWG funding on different program types, populations and by geography
 - Equity considerations with eliminating limited waivers, specifically who is negatively or positively impacted by this policy decision

Illinois Department of Early Childhood Updates

August 2026





**We are One Early
Childhood Agency!**



Successful launch!



System	Objectives	Status
Technology Transition	Families, providers, CCR&Rs, and staff have access to technology. E-time launched and payroll made	✓ Delivered
Grants Management System	Euna system launched. 940 applications successfully submitted	✓ Delivered
Federal Approval Process	Federal approvals received	✓ Delivered

Building organizational capacity and redesigning program service delivery while administering programs

Phase 1: Pre-Launch

Launch Transition Advisory Committee and Pass Enabling Legislation

- Hired Transition Director
- Drafted and Passed IDEC Legislation

Phase 2: Start-Up, Redesign, and Build Capacity

Build operational capacity

- Hire central office staff
- Build internal infrastructure for operations, legal, fiscal, tech
- Impact bargain w/ AFSME to ease staff transition
- Create tech roadmap
- Pass data legislation
- Design program org

Engage in redesign processes

- Listen and learn about pain points and bright spots for long-term plan
- Develop child care licensing redesign legislation

Phase 3: Run programs, learn, pivot, and build capacity

July '26+

Strengthen operational capacity, fine tune or revamp ways of working

- *First 90 days fine-tuning and improving processes and rapid expansion*
- Hire remaining staff to fully build out essential functions for agency administration
- Launch new data system for unduplicated count of children served
- Administer ~1,000 early childhood grants
- Continue to advance internal and external redesign priorities (i.e., EI, Funding design, licensing redesign)

IDEC wants to engage with you by sharing the latest updates about the transition

Visit the IDEC Website to stay informed!

Idec.illinois.gov

Frequently Asked Questions



Share your questions at
Questions.IDEC@illinois.gov



Scan the QR Codes to see what's new or **Click** the links!



Letters can be found on the IDEC Website:

• [Home](#) > [About](#) > [News](#)

Smart Start Child Care Transition to IDEC

- Smart Start Child Care Ad Hoc Advisory Committee landing page now lives on the IDEC website:
<https://idec.illinois.gov/committees/smart-start-child-care.html>
- Smart Start Child Care Ad Hoc Advisory Committee will have a scheduled meeting in December and on an ad hoc basis prior to December if needed.
- Many staff are taking on new and different roles in the new agency.





Smart Start Workforce Grants

FY27 Round 1 Highlights

During our May meeting, we reviewed several options for **remaining within the FY27 budget**

- As a reminder, **administrative rules did not allow for many options** to prioritize programs and/or funding.
- Viable options included the following:
 - **Do not allow limited waivers**
 - **Programs are selected on a first come, first served basis until funds run out**
 - **Reduce award amounts**

Outlined in administrative rule and could not change:

Wage floors

- Set by program type & CCAP Region

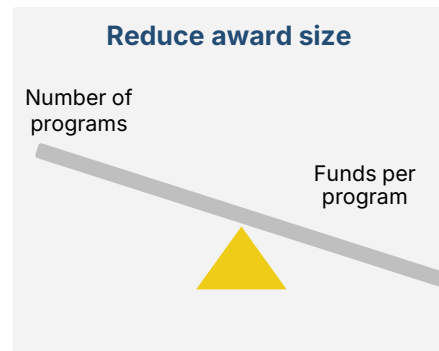
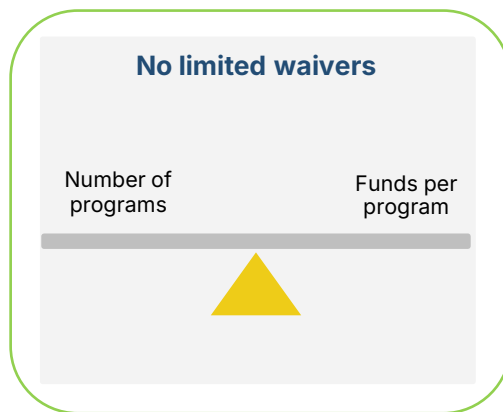
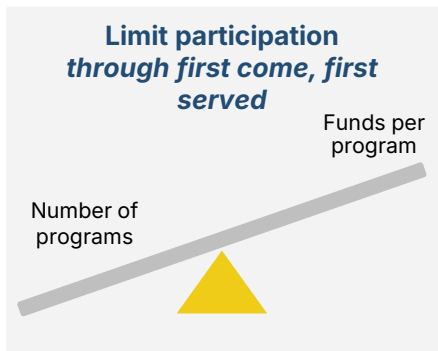
Eligibility parameters

- Licensed child care center, FCC, or FGCC
- Operating full-day, full-year
- CCAP threshold of 15% enrollment (centers), 1 child (FCC), 2 children (FGCC)
- Classroom enrollment minimums (centers), enrollment minimums (FCC & FGCC)
- Not receiving ECBG, Head Start, or Early Head Start funds (classroom level for centers; program level for FCC & FGCC)

Of the available options, **not allowing limited waivers was preferred based on your input and our guiding principles.**

During the budget projects & limited waivers discussion in May, committee members:

- Reviewed the viable options and named that **no limited waivers was the best choice**
- Inquired whether eliminating waivers would **generate enough savings** to stay within budget
- Recommended **monitoring the impact of limited waiver reductions** on FCC providers and other small programs
- Emphasized the **importance of proactive communication** and transparency



To stay within budget this fiscal year, **updates have been made to the Smart Start Workforce Grant Program**

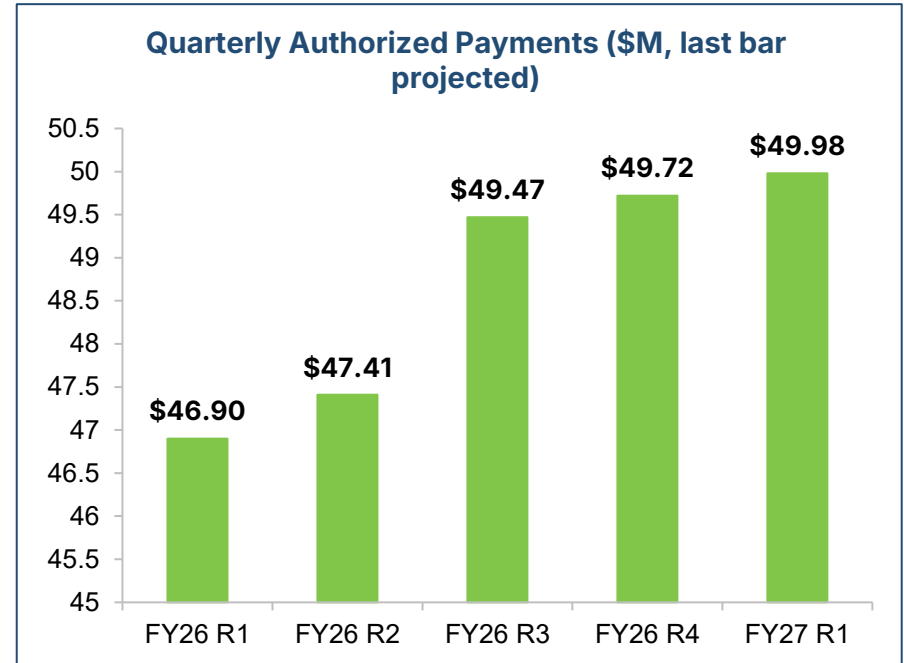
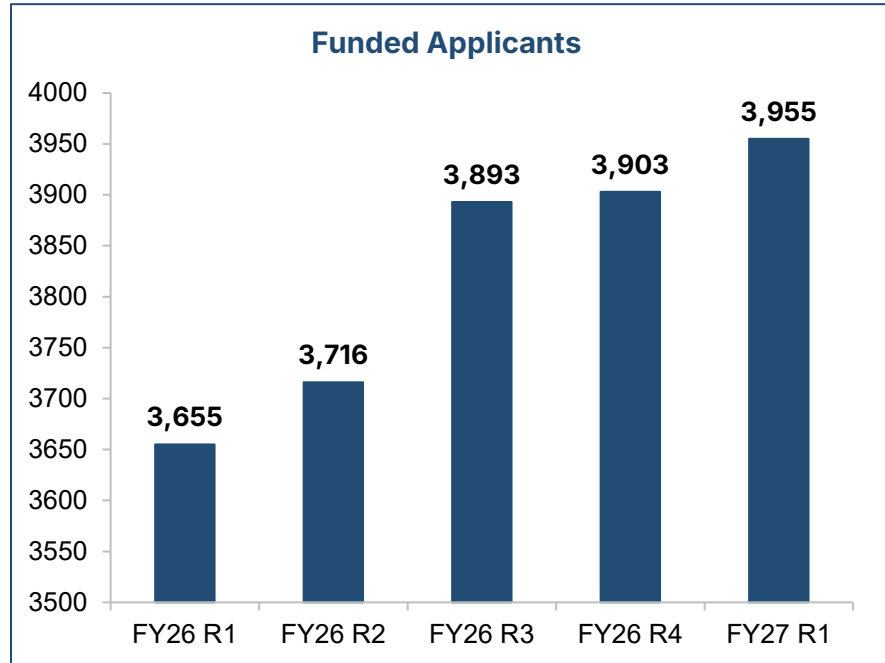
Due to the significant demand for Smart Start Workforce Grant funding in FY27 Round 1:

- **Limited waivers were not approved**
- Non-traditional hours classrooms continued to be **funded at the same rate as FY26**

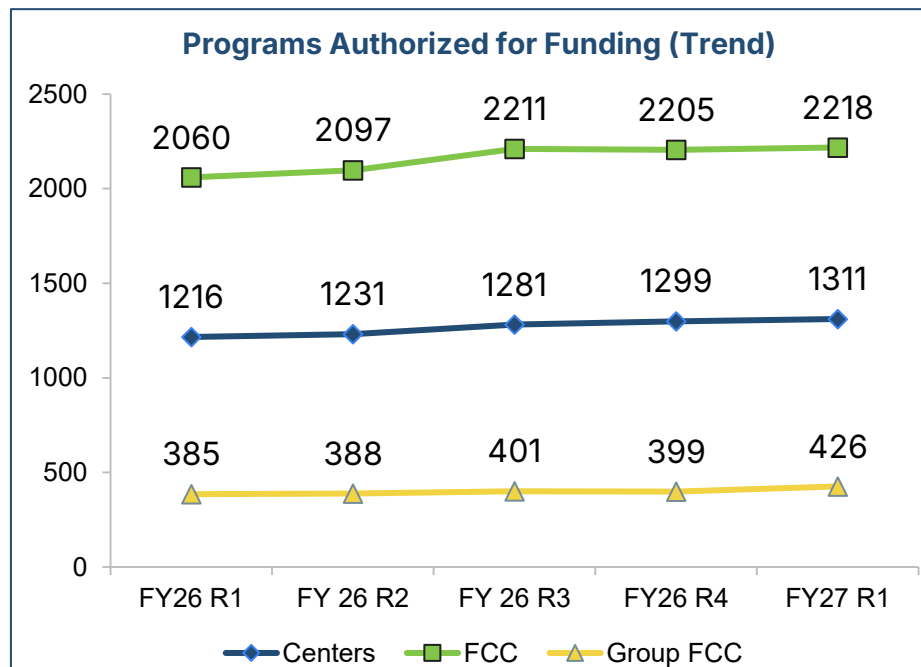
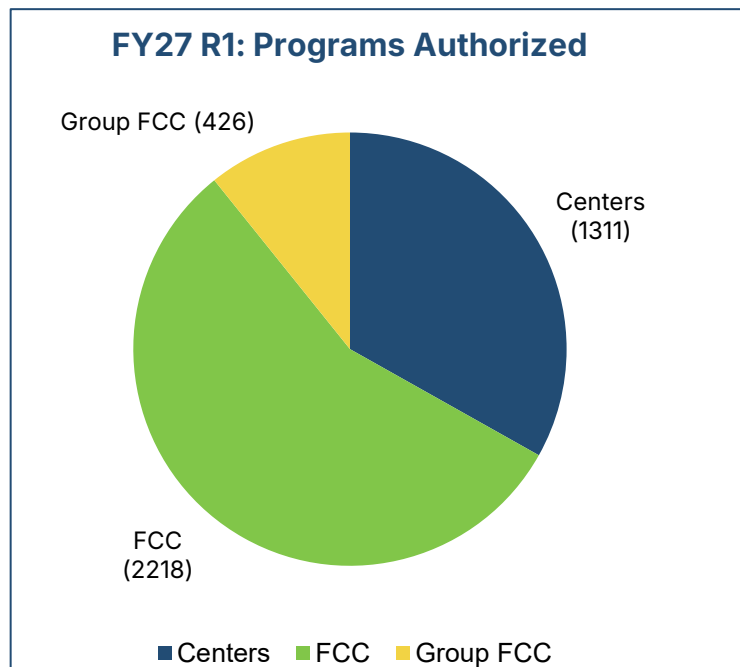
Communication about these changes included:

- ✓ Updates explained on the Smart Start Workforce Grants **website**
- ✓ **Email blast** to all programs that received a grant in FY26 specific to updates
- ✓ **Local experts** prepared to support individual programs as needed
- ✓ Changes included in all **regular Smart Start Workforce Grants communication** (email announcement of application, orientation availability)

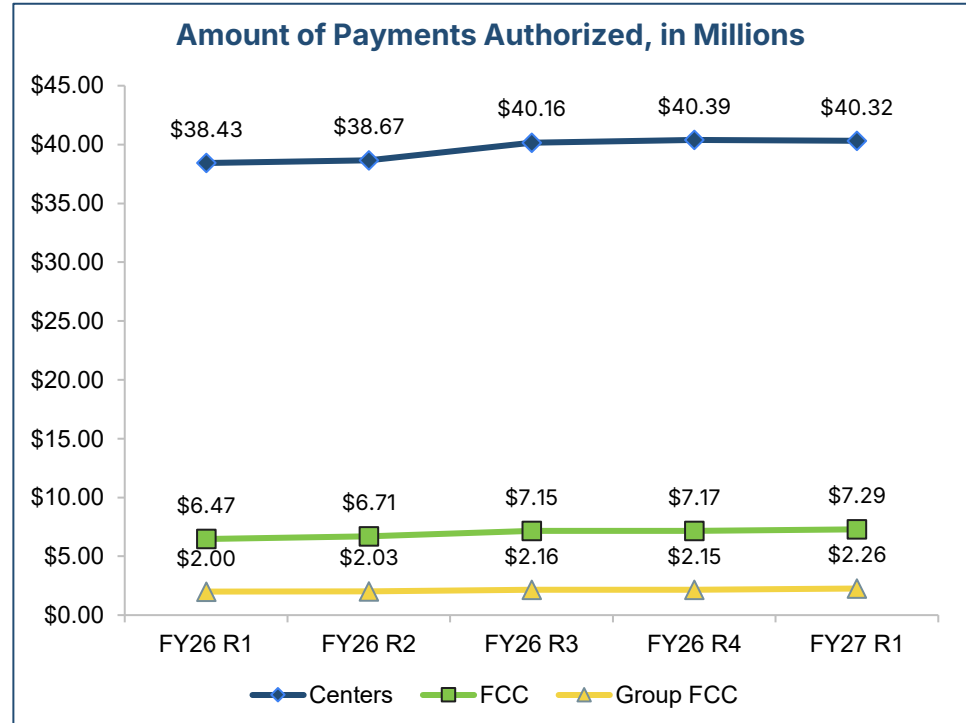
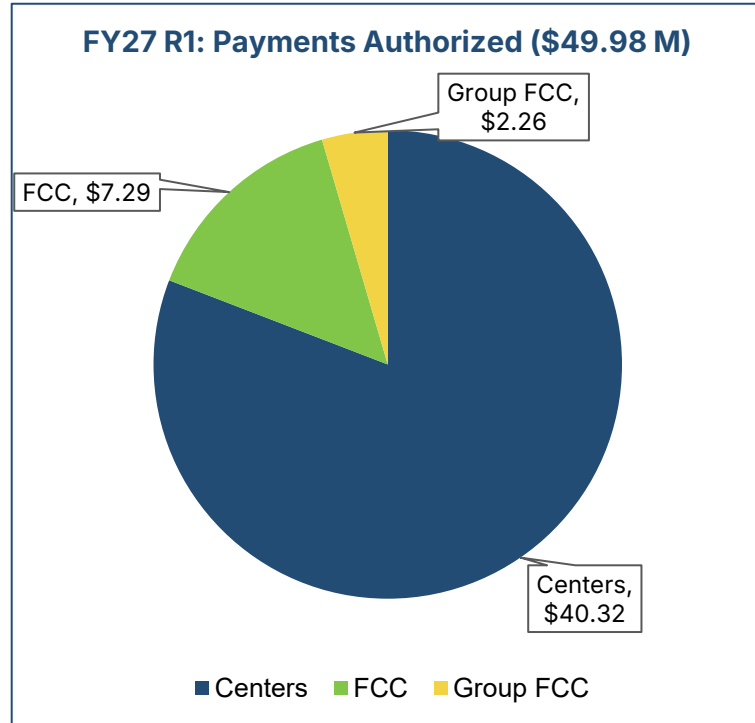
More programs were eligible for and received funding in FY27 Round 1 than any round in the history of Smart Start Workforce Grants



3,955 programs were awarded Smart Start Workforce Grants for FY27 Round 1



This amounted to \$49.98 M of funding awarded, over our quarterly ~\$49.36 M budget.



Together, the policy changes reduced spending in FY 27 Round 1 by \$876,000 and impacted 151 applicants, or 4% of all eligible applicants.

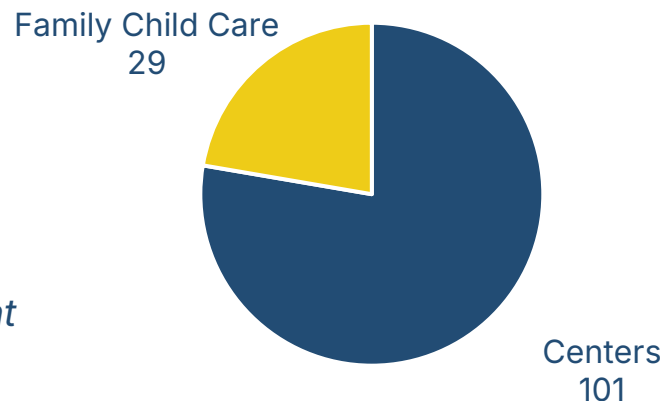
● **Limited Waivers:**

- 130 programs requested a limited waiver
- 27 programs included only the limited waiver classroom in the application – *these programs received no funding*
- *Reduced Round 1 spending by ~\$700K*

● **Non-Traditional Hours Classrooms:**

- 101 programs requested funding for additional assistant hours for NTH classroom – *these classrooms were approved for the base amount (\$2,250/quarter)*
- *Reduced Round 1 spending by ~\$176K*

FY 27 Round 1 Limited Waiver Requests



Based on record participation in FY27 Round 1, additional changes for Round 2 were necessary to stay within the budget.

Round 1 changes continue to apply in Round 2

Round 2 changes announced June 23, 2026:

- **No new applications** accepted in Round 2
- Awards in **Round 2 cannot exceed Round 1** award levels:
 - Renewing Centers – Programs funded in FY27 Round 1 will only include classrooms that were approved in Round 1 on their funding request in Round 2.
 - Renewing Family Child Care and Family Group Child Care Assistant Funding - cannot include additional assistant hours for a higher grant amount in Round 2.

Preliminary FY27 Round 2 application and funding highlights



- 3,895 renewal funding requests received
- This represents 98.5% of Round 1 recipients
 - 1291 Centers (98.5%)
 - 2181 Family Child Care (98.3%)
 - 423 Family Group Child Care (99.3%)
- Anticipate ~65 programs will not be awarded, primarily due to missed reporting

Large Group Discussion

What questions or reflections do you have about the Smart Start Workforce Grant policy and award updates?

Looking ahead to FY 28, we anticipate that high demand for the program will continue

If Smart Start Workforce Grants continue to be flat funded, we need to plan for other options to stay within budget should eliminating limited waivers be insufficient.

Allowable changes within rules

- No longer fund limited waivers
 - *Implemented this year, FY27*
- Prioritize funding based on first come, first served
 - *All R1 was funded in FY27; partially implemented this year by round (no new applicants)*
 - *This group has previously said this is not an equitable or desired option*
- Reducing grant award amounts to stay within budget

IDEC May Be Able to Amend Administrative Rules

IDEC is considering amending administrative rules to allow for some additional limited flexibility

- Amending administrative rules can take 8-9 months, and FY2028 applications open April 1, 2027.
- There is no guarantee that proposed changes will be made.
- Proposed changes will be available for public comment.

Proposal: Amend administrative rule to allow IDEC more flexibility to prioritize grantees on factors other than first come, first served

- Prioritize by percentage of CCAP children served and/or
- Prioritize by frequency that providers met the 15% CCAP eligibility requirement (currently 1 month over last 1+ Years)

Discussion Scenario 1: Reducing Grant Award Amounts

What would this look like?

- Allowable under current rules
- Depending on the budget and program demand, reduction would be a small amount that would enable an overall balanced budget.

What would this allow the state to do?

- Increase or decrease awards to fit within the budget, while allowing all eligible applicants to participate.

Who would be impacted?

- All participating programs

Discussion Scenario 2: Prioritize Programs for Funding

What would this look like?

- Would require administrative rule change
- Eligibility parameters would remain the same, but programs would be funded based on where they fall on a prioritized list
- Potential priority criteria might include percent/number of CCAP children served or frequency of serving CCAP children

What would this allow the state to do?

- Prioritize programs to make more equitable allocations, instead of first come first served.

Who would be impacted?

- Some programs that are eligible might not get funded, depending on how funding is prioritized and demand.

Guiding principles inform 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

Equity considerations inform 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

Small Group Discussion

Looking ahead to FY28, if demand for the program exceeds available funding, we will need to make additional changes to stay within budget.

- What are pros and cons of the options presented?
- Which scenario best meets our guiding principles and equity considerations?





Public Comment

Next Steps

- **IDEC Budget Listening Session**
 - **Tuesday, September 15, 5 – 6:30 PM**
 - [Register here:](https://illinois.webex.com/weblink/register/r5649faf4adef82ad240ae2d13ee6c523)
<https://illinois.webex.com/weblink/register/r5649faf4adef82ad240ae2d13ee6c523>
- **Next Meeting:**
 - December 3, 2026, 6 PM – 8 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.*



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