SMART START WORKFORCE GRANTS

In February 2023, Governor JB Pritzker announced his plans for Smart Start Illinois, a multi-year plan to provide every child with access to preschool, to increase funding for child care providers to raise wages and classroom quality, and to reach more vulnerable families with early support. Smart Start Illinois is a big next step in making Illinois the best place to raise children with a clear and ongoing commitment to children, families, teachers, and child care providers.

These draft parameters are based on the Governor's FY 25 Budget proposal and are subject to final appropriation by the General Assembly.

WHAT ARE SMART START WORKFORCE GRANTS?

Smart Start Workforce Grants offer child care programs stable, ongoing funds that they need to cover costs and invest in quality staff without burdening families by raising tuition or Child Care Assistance Program (CCAP) co-pays. Eligible programs receive consistent funding in advance, and funds will cover the cost of higher wages and operating a classroom. Programs receiving these grants will be required to pay classroom staff a wage floor. These competitive wages will help to attract more staff and meet parents' needs at a rate that they can afford.

Smart Start Workforce Grants build on previous investments in the child care field in Illinois, including the <u>Child Care Restoration Grants</u>, <u>Strengthen and Grow Child Care Grants</u>, and <u>Smart Start Transition Grants</u>, currently in effect through September 2024. Over the past three years, Illinois has transitioned from programs designed to stabilize the field during a pandemic to programs designed to support investments in the child care workforce. The next step -- Smart Start Workforce Grants – will directly raise provider wages across the field.



Governor Pritzker's proposed investment in Smart Start Workforce Grants requires appropriation from the Illinois General Assembly.

Smart Start Workforce Grants, contingent upon state appropriations, will be available for programs:

- licensed as a child care center, family child care, or family group child care.
- licensed and caring for children by the first of the month prior to the opening of applications. For example, if the application opens on July 1, 2024, programs must be licensed, open, and caring for children by June 1, 2024.
- that operate as a full-day, full-year program offering eight consecutive hours of care per day, five days per week, 47 weeks per year.
- For centers at least 15% of the program's current licensed capacity (at time of application) enrolled and funded by CCAP in any month in the year prior to submitting an application (e.g., any one month between January 2023 date of application).
- For Family Child Care care for at least 1 child and for Family Group Child Care 2 children enrolled and funded by CCAP in any month in the year prior to submitting an application (e.g., any one month between January 2023 the date of application).
- other eligibility requirements may apply.

See the chart below for how the Smart Start Workforce Grants* compare to Smart Start Transition Grants.

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

	Smart Start Transition Grants	Smart Start Workforce Grants
	Licensed Centers and Licensed Family Child Care	Same
Who Qualifies	Must be licensed, open, and caring for kids by the first of the month prior to the application opening. For example, the application opens July 1, 2023. You must be licensed, open, and caring for children by June 1, 2023.	Must be licensed, open, and caring for kids by the first of the month prior to the application opening. For example, the application opens July 1, 2024. You must be licensed, open, and caring for children by June 1, 2024.
	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.	Same
CCAP Requirements	At least 10% of program's current licensed capacity (at time of application) enrolled and funded by CCAP in any one month between January 2022 to date of application	Center-based programs: At least 15% of the program's current licensed capacity (at time of application) enrolled and funded by CCAP in any one month between January 2023 to date of application Family/Family Group Child Care programs: Family Child Care, care for at least 1 child, Family Group Child Care, care for at least 2 children enrolled and funded by CCAP in any month in the year prior to submitting an application (e.g., any one month between January 2023 - the date of application).
Classroom Eligibility	Transition Grants did not include classroom enrollment minimums.	Funding for Smart Start Workforce Grants will be on a per classroom basis. To be eligible for funding, classrooms must meet minimum enrollment criteria: Center-based programs: Infant/toddler classrooms: at least 4 children 2-year-old classrooms (and transitional 2 to 3-year-old classrooms): at least 8 children 3 to 5-year-old classrooms: at least 12 children Family/Family Group Child Care programs: At least 4 children
Revenue Sources	Less than 75% of total revenues from other public funding streams (e.g., Head Start, Preschool For All)	Programs may apply for a grant for any classrooms operated with only CCAP and private pay tuition funding.
Allowable use of funds	75% of funds must be spent on enhanced personnel	Funds must be spent only on staff wages, and programs must meet a wage floor for teachers and assistant teachers in grant funded classrooms.
Reporting	Complete quarterly using an online expense form through the Gateways to Opportunity Registry Director Portal	Complete and upload quarterly payroll and wage documentation with reporting to show proof that the wage floor was met for teaching staff in grant funded classrooms.

GRANT AWARD AMOUNT

Smart Start Workforce Grants will support center-based programs to increase wages for assistant teachers, teachers, and other program staff. Eligible programs will receive a grant award amount quarterly.

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

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

Classroom type	Quarterly Award	
Smart Start Workforce Grants Infant/Toddler	\$6,750	
Smart Start Workforce Grants Ages 2-5	\$6,000	

Smart Start Workforce Grants will support family child care providers to increase their wages and their assistants' wages. Family child care and family group child care will be eligible for a base award of \$2,250 quarterly and additional funding if they have an assistant, based on the number of hours assistant(s) work.

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	Assistant Weekly Hours	Quarterly Grant Award
	0-20 hours/week	\$2,250
Smart Start Workforce Grants:	20-60 hours/week	\$4,000
Family Child Care and Family Group Child Care	60+ hours/week (only available for Family Group Child Care)	\$5,750

CLASSROOM ELIGIBILITY

Smart Start Workforce Grants are designed to support staffing in centers and family child care. Award amounts support staffing assumptions that meet or exceed licensing regulations. For Smart Start Workforce Grants, a classroom must contain a minimum number of children, determined by the age of children. These minimums are not a ratio like those in child care licensing regulations, nor are they required to maintain licensing with DCFS. Rather, these are conditions of the Smart Start Workforce Grant program.

	Age Group	Classroom 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

	Age Group	Program Enrollment Minimum
Family Child Care/ Family Group Child Care	Mixed Age Group	4 children

Smart Some programs may not be able to meet the classroom minimums due to their structure or a temporary drop in enrollment. To provide flexibility in these cases, Smart Start Workforce Grants will offer waivers from the minimum enrollment.

Programs may apply for a **limited waiver** or an **annual waiver** for classrooms that do not meet enrollment minimums.

Limited waivers: Programs requesting a waiver from the classroom enrollment minimum requirement due to low enrollment, lack of staff, or other reasons may request a waiver.

- Center programs: One waiver covers one classroom. Programs may be granted one waiver per classroom, with a maximum of three waivers in the first grant year.
- Family Child Care/ Family Group Child Care programs: Programs may be granted one waiver in a grant year.
- Programs granted a limited waiver will receive the same grant award amount per classroom.

Annual waivers: Programs requesting a waiver from the classroom enrollment minimum requirement due to limited space and capacity may request an annual waiver. Requesting programs must provide their DCFS licensing letter to demonstrate the licensed capacity for any classrooms requesting the annual waiver. If the DCFS licensing letter is not available, a statement from DCFS confirming the licensed capacity for the relevant classroom(s) will suffice.

- Center classrooms with annual waivers will receive a reduced award amount. For FY25, the reduced amount is \$3,250 quarterly.
- Family Child Care/ Family Group Child Care programs with annual waivers are not eligible for assistant funding.
- The annual waiver option will be reviewed each fiscal year and programs will update the required documentation.

WAGE FLOOR - CENTER-BASED PROGRAM

Programs that participate in Smart Start Workforce Grants will be required to pay teachers and assistant teachers in grantfunded classrooms a wage floor. A wage floor is a minimum required wage but is different from the legally required minimum wage. For Smart Start Workforce Grants, the wage floor is a requirement that programs agree to when they accept the grant. The wage floor varies by region, type of program, and role.

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

	Region		
Role	Group 1A	Group 1B	Group 2
Wage floor for lead teachers	\$19.25 per hour	\$18.50 per hour	\$18.25 per hour
Wage floor for assistant teacher	\$18.00 per hour	\$17.25 per hour	\$17.00 per hour

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

WAGE FLOOR - FAMILY CHILD CARE AND FAMILY GROUP CHILD CARE ASSISTANTS

For Family and Family Group Child Care, the provider/owner will have discretion in the use of funds. However, if the provider employs an assistant, they must meet the required wage floor and recommend dedicating at least a percentage of funds to the provider/owner's compensation.

	Region		
Role	Group 1A	Group 1B	Group 2
Wage floor for Family Child Care and Family Group Child Care Assistants	\$18.00 per hour	\$17.25 per hour*	\$17.00 per hour

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

*This wage floor was revised on 5/14/24 to align with the wage floor for assistants in centers.

ANTICIPATED SMART START WORKFORCE GRANT SCHEDULE*

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

Application Round 1: Covering October 2024 – December 2024 expenses (Applications available July 1, 2024 – July 31, 2024)

Application Round 2: Covering January 2025 – March 2025 expenses (Applications available October 1, 2024 – October 31, 2024)

Application Round 3: Covering April 2025 – June 2025 expenses (Applications available January 2, 2025 – January 31, 2025)

HOW TO PREPARE:

Funding for Smart Start Workforce Grants is currently pending approval of the Illinois General Assembly, but you can begin to prepare today for Smart Start Workforce Grants. Use the checklist below to ensure you have all the required documentation ready to go.

The following items are required to complete a new Smart Start Workforce Grant application:

- <u>Access to the Gateways Registry Director Portal</u>
- Unique Entity ID
- <u>Completed W9</u>
- For centers, corporations, partnerships, and Limited Liability Companies (LLCs) a current and valid Illinois Secretary of State Certificate of Good Standing
- For centers only a classroom map, noting what rooms are used as classrooms
- Consider how your program manages payroll and set up a plan for how the program will report payroll documentation to prove the wage floor requirements are met. This will be required quarterly.
- Review wages in your program and determine the amount needed to increase wages to at least the wage floor.
- Review your classroom enrollment, making sure that each classroom will meet the enrollment minimums set for Smart Start Workforce Classrooms.
- Make sure all reporting for any previous grants is complete and accepted. This will include Child Care Restoration Grants, Child Care Workforce Bonus, Strengthen and Grow Child Care Grants, and Smart Start Transition Grants.

HAVE QUESTIONS?

The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA) will administer the Smart Start Workforce Grants. INCCRRA will provide technical assistance answering technical questions and helping with the application process through its website and via email. Email grants@inccrra.org with questions.

New to Smart Start Workforce Grants is local technical assistance through the local Child Care Resource and Referral (CCR&R) System. This will provide local grant experts to provide technical assistance, and answer questions. <u>Find your local expert here</u>.



