# **SMART START** WORKFORCE GRANTS

## Frequently Asked Questions LICENSED FAMILY CHILD CARE AND LICENSED FAMILY GROUP CHILD CARE

Information included in this FAQ pertaining to the Smart Start Workforce Grants is subject to appropriation from the Illinois General Assembly.

#### **Table of Contents**

Section 1: General Questions Section 2: Program Eligibility Section 3: Child Care Assistance Program (CCAP) Eligibility Section 4: Wage Floor Section 5: Reporting

#### **Section 1: General Questions**

#### 1. What are Smart Start Workforce Grants?

Smart Start Workforce Grants can provide child care programs the stable, ongoing funds they need to cover costs and invest in quality without burdening families by raising tuition or co-pays. These grants will allow Family Child Care and Family Group Child Care to earn more income and pay assistants higher wages through consistent funding, helping to offset the unpredictable nature and fluctuation of private pay tuition and Child Care Assistance Program (CCAP) subsidy payments, considering the true cost of services, and paying in advance rather than in arrears. Family Child Care and Family Group Child Care receiving Smart Start Workforce Grants through IDHS will be required to meet or exceed a wage floor for assistants, helping them to attract more staff and meet parents' need for child care at a rate they can afford.

Smart Start Workforce Grants are a child care grant program funded by the Illinois Department of Human Services' (IDHS) Division of Early Childhood (DEC) and administered by the Illinois Network of Child Care Resource and Referral Agencies (INCCRRA).

#### 2. What does "wage floor" mean?

New to Smart Start Workforce Grants is a wage floor. A wage floor is a wage that grantees must meet or exceed for staff. It 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.

For Family Child Care and Family Group Child Care programs, the provider/owner will have discretion in the use of funds as income. As a sole proprietor running a child care business, the provider/owner is part of the workforce. The provider/ owner can use these funds as income, or reflect the funds as profit and are not required to meet a wage floor. However, if the provider employs an assistant, they must meet the required wage floor for assistants.

See the wage floor section below for frequently asked questions specific to the wage floor.

#### Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Page 1 of 8

#### 3. Why do the Smart Start Workforce Grants require programs to care for Child Care Assistance Program (CCAP) children?

In addition to raising wages for child care workers, Smart Start Workforce Grants are designed to increase equitable access to child care for families and their children, especially those with limited resources. To meet this goal, the funding stipulates that participating programs must enroll and be funded for a minimum number of children enrolled in the Child Care Assistance Program, DCFS foster care child care payments, or military child care subsidies. For Family Child Care, the minimum is one child participating in one of these programs, and for Family Group Child Care programs, the minimum is two children participating in one of these programs.

The Smart Start Workforce Grant program will have the greatest impact when it can reach as many child care programs as possible and raise wages for staff by a meaningful amount. This requires a tradeoff, though: the higher the award amount (and the higher the wage increase for staff), the fewer total programs can be funded. The goal is to increase funding for wages by as much as possible and reach as many programs as possible. The grant is also not a competitive grant. All programs that apply and are found eligible will receive funding. This requires the program to include a CCAP requirement for eligibility.

#### 4. How much are the grant amounts?

Programs that participate in the Smart Start Workforce Grant program will receive the following amounts for each quarter that they opt in and are deemed eligible. Family Child Care and Family Group Child Care programs will receive a base award of \$2,250 and additional funding if they have an assistant, based on the number of hours the assistants' work.

Programs with one assistant working less than 20 hours will receive \$2,250 quarterly. Programs with one to two assistants working a combined 20-60 hours per week will receive \$4,000 quarterly and programs with two or more assistants working a combined 60 or more hours per week will receive \$5,750. (See chart below)

Funding will be provided in advance of each quarter. There will be 3 funded quarters for the first year of the program (October - December 2024, January - March 2025, and April - June 2025). Family Child Care and Family Group Child Care programs will be eligible for the following grant awards:

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

#### 5. Where can I learn more about Smart Start Workforce Grants?

Grant information can be found at <u>https://www.ilgateways.com/smart-start/smart-start-workforce-grants</u>. You can also contact INCCRRA by email at <u>grants@inccrra.org</u> or by phone at 1-855-939-4858. Local technical assistance to help with the application and reporting process and more for Smart Start Workforce Grants is available through the Child Care Resources & Referral agency in your area. Visit <u>https://www.ilgateways.com/smart-start/smart-start-workforce-grants</u> to find contact information for your local expert.

#### 6. What is the timeline for Smart Start Workforce Grants? When does the program start and end?

Each Grant round will be comprised of an Application/Opt-In period, Deadline for Documentation, Funding Release, Funding Use Period, and Quarterly Reporting Deadline.

Fiscal year 2025 Quarters will run as follows:

Application Round	Application/ Opt-In Period	Deadline for Documentation	Funding Released	Funding Use Period	Quarterly Reporting Deadline
Round 1	July 1, 2024 – July 31, 2024	August 14, 2024	September 2024	October 2024 – December 2024	January 15, 2025
Round 2	October 1, 2024 – October 31, 2024	November 14, 2024	December 2024	January 2025 – March 2025	April 15, 2025
Round 3	January 2, 2025 – January 31, 2025	February 14, 2025	March 2025	April 2025 – June 2025	July 15, 2025

#### **Definitions:**

<u>Application/Opt-In Period</u> – This is the time that the application will be available in the Programs Director Portal for completion. To be considered for a Smart Start Workforce Grant in an application period you must have the application completed and submitted within this time frame. We encourage programs to apply earlier than the deadline. Once a program has been found eligible the program must only opt-in to receive grant funding in additional rounds each fiscal year.

<u>Deadline for Documentation</u> – As your application is reviewed if you are missing a piece of required documentation, or if additional documentation is needed for eligibility, a grant specialist will communicate what is needed by email and that documentation must be submitted by this date to be considered. We encourage programs to submit required documentation when first requested to allow plenty of time to correct any missing or incorrect documentation before the deadline.

<u>Funding Release</u> – This provides the month that the funding is mailed to the program. This is dependent on INCCRRA receiving funding from the state.

<u>Funding Use Period</u> – This provides the months that the grant funding must be used within. This also provides the months that programs must meet the wage floor for assistants.

<u>Quarterly Reporting Deadline</u> – Programs must complete the required quarterly reporting in the Directors Portal by this date.

Pending budget appropriations for FY26, the timeline for grants starting July 2025 will look similar and run four rounds covering the full fiscal year through June 2026.

#### 7. Where does funding for Smart Start Workforce Grants come from?

Smart Start Workforce Grants are funded by the American Rescue Plan Act (ARPA) Discretionary Funds and State of Illinois General Revenue Funds.

#### 8. Who is administering this grant program?

Like the Child Care Restoration Grant Program, Child Care Workforce Bonus Program, Strengthen & Grow Child Care Grants and the Smart Start Transition Grants, IDHS DEC has partnered with INCCRRA to administer the Smart Start Workforce Grants program.

#### 9. What will I be required to do as a part of participating in the Smart Start Workforce Grants program?

Providers receiving a Smart Start Workforce Grant will be required to pay assistants at or above a wage floor described in the grant and submit quarterly reporting that is designed to help INCCRRA and IDHS-DEC to understand the impact and success of the Smart Start Workforce Grant program. You can find more information about this in the wage floor section of this FAQ.

#### 10. What is the future sustainability for Smart Start Workforce Grants?

Like all programs administered by the State with federal or State General Revenue funding, Smart Start Workforce Grants will require annual appropriations by the Illinois General Assembly. The Governor is committed to strengthening and expanding the child care workforce, and a part of that commitment is establishing Smart Start Workforce Grants as a sustained, state funded program.

#### **Section 2: Program Eligibility**

#### 1. What are the eligibility requirements?

Family Child Care and Family Group Child Care are eligible for the Smart Start Workforce Grant if they are:

- Licensed as a day care home or group day care home via the Department of Children and Family Services (DCFS)
- 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.
- 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 of the year.
- Currently participate in the Child Care Assistance Program and have a minimum number of 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). For Family Child Care programs, the minimum is 1 enrolled child participating in CCAP and for Family Group Child Care programs the minimum Is 2 enrolled children participating in CCAP.
- Receive only CCAP and private pay tuition funding.
- Maintain a program enrollment of four children or more.

For more information on eligibility visit <u>https://www.ilgateways.com/smart-start/smart-start-workforce-grants</u>.

2. Does a provider's own children count in the program enrollment requirement of at least four children enrolled?

Yes. A provider's own children count toward the program enrollment requirement if the provider is caring for that child during part or all of the program day.

### 3. What will be required at the time of application for Family Child Care and Family Group Child Care programs to show number of children enrolled to meet the program enrollment requirement of 4 children?

Within the Gateways Registry Director Portal, programs will be required to create a classroom card. For the purposes of Smart Start Workforce Grants, a Family Child Care or Family Group Child Care program will be considered "one classroom." Programs will include the number of children enrolled into the program on the classroom card. Programs must also upload an enrollment list at time of Smart Start Workforce Grant application and future quarters' opt-in that includes the first Initial, last Initial, and age of each child in your program. These will be required to show proof of program enrollment.

#### 4. Can newly opened Family Child Care or Family Group Child Care program apply for Smart Start Workforce Grants?

Yes. Programs must be open and caring for children by the first of the month prior to application and continue to care for children today. For example, if the application opens July 1, 2024, the program must be licensed, open and caring for children by June 1, 2024, and still care for children when they apply.

## 5. If a Family Child Care or Family Group Child Care program closes over the summer in June and July, can I still apply for quarters I am open?

No. Programs must 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 of the year. Based on this, a program can only be closed five weeks of the year.

#### Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Page 4 of 8

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## 6. What if a Family Child Care or Family Group Child Care program is not eligible for Smart Start Workforce Grants in the first application round? Can the program become eligible in the future?

Programs that are not currently eligible for Smart Start Workforce Grants will have the opportunity to apply in a future round when the program meets eligibility requirements. For example, if you are not currently caring for Child Care Assistance Program (CCAP) children, you can begin enrolling and caring for CCAP children. Once your program meets the enrollment percentages, you may apply in a later round.

7. If the Family Child Care or Family Group Child Care program never received Smart Start Transition Grants, will they be able to apply for Smart Start Workforce Grants?

Yes. There is no requirement that programs must have received previous grants to be able to apply for Smart Start Workforce Grants.

#### 8. Am I required to participate in the Smart Start Workforce Grants?

No. Programs can determine whether they would like to apply for a Smart Start Workforce Grant.

#### **Section 3: CCAP Eligibility**

#### 1. When I apply how will INCCRRA know or check that I met the CCAP eligibility requirement?

IDHS-DEC and INCCRRA will determine whether Family Child Care and Family Group Child Care programs meet the CCAP eligibility at the time of application, by reviewing the number of children receiving CCAP funding each month. For Family Child Care and Family Group Child Care programs, this will be determined by the number of children enrolled in the child care program who are funded by CCAP. Programs will meet this eligibility requirement if, at any time between January 2023 and the date a provider applies for Smart Start Workforce Grants, they are funded for:

- One or more children participating in CCAP (Family Child Care).
- Two or more children participating in CCAP for (Family Group Child Care).

#### 2. Can other forms of subsidy be included for a program to meet the Child Care Assistance Program (CCAP) requirement?

Yes. To meet the Child Care Assistance Program (CCAP) requirement, Family Child Care and Family Group Child Care homes can include children that receive the following subsidies: CCAP, DCFS Foster Care Child Care Payments, and military child care subsidies. Additional documentation may be requested if children receive non-CCAP subsidies.

#### 3. How do I know if I meet the CCAP requirement?

Family Child Care and Family Group Child Care can include children that receive the following subsidies: CCAP, DCFS Foster Care Child Care Payments, and military child care subsidies. For Family Child Care programs this is one child and for Family Group Child Care programs this is two children participating and funded in CCAP from any month from January 2023 until the date a program applies. You can determine your program's eligibility using the following tool:

How many of my enrolled and funded children participated in CCAP in one month?		A	Note: If your CCAP enrollment fluctuates, choose a month from Jan 2023 to now where you had the highest CCAP enrollment.
How many of my enrolled and funded children participated in DCFS foster care child care payments or military child care subsidies		В	Note: This may require additional documentation at the time of application.
	A+ B=		For Family Child Care: if C is one or greater, you may be eligible.
		C	For Family Group Child Care: if C is two or greater, you may be eligible.

#### Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Page 5 of 8

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#### 4. Are you required to have children enrolled in the CCAP program to apply for the grant?

Yes. Programs must currently participate in CCAP at time of application

#### 5. If I am eligible in round 1 and then no longer care for CCAP children in a future round, what happens?

Once a Family Child Care or Family Group Child Care program qualifies, your program will not lose eligibility if your CCAP enrollment falls below the threshold during the grant year. In the first year of Smart Start Workforce Grants (State Fiscal Year 2025), this includes the time between October 2024 – June 2025. In this case, providers are encouraged to work with their local CCR&R to recruit new CCAP-enrolled families as you will need to meet the CCAP threshold for the following grant year.

#### **Section 4: Wage Floor**

#### 1. What is the wage floor requirement for Family Child Care and Family Group Child Care?

	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.

#### 2. Why are the wage floors different from Group 1A, Group 1B, and Group 2?

The wage floors are set by the same county groupings as those of the Child Care Assistance Program reimbursement rates. These groupings account for the cost of living and other factors that differentiate pay and resources across the state of Illinois.

#### 3. If I do not employ an assistant at my program, how do I meet the wage floor?

There is no requirement to meet the wage floor if your program does not employ an assistant. However, all grant funds must be applied to the provider/owner salary or wages.

#### 4. How was the wage floor determined?

IDHS gathered data from the Gateways Registry, the Provider Cost of Quality Calculator (from the federal Administration of Children and Families in the U.S. Department of Health and Human Services) as well as directly from Illinois providers to understand current wages and set the wage floor amounts at least \$2-\$3 above current median wages based on specific roles and geographic regions.

#### 5. What positions are required to receive the wage floor?

Smart Start Workforce Grants refer to Child Care Assistants as defined by DCFS day care licensing rules for Family Child Care <u>https://www.ilga.gov/commission/jcar/admincode/089/08900406000020R.html</u> and Family Group Child Care <u>https://www.ilga.gov/commission/jcar/admincode/089/089004080000050R.html</u>. Child Care Assistants employed by a family child care program or family group child care program are required to receive the wage floor. This does not include substitutes. For programs this includes those staff listed In the Registry as "9 - Family Child Care Assistant" for family child care and "11 - Family Group Child Care Assistant" for those working in family group child care.

#### Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Page 6 of 8

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#### 6. What if, after meeting the wage floor, there is still grant funding left over?

All Smart Start Workforce Grant funding must be used toward salaries or wages. The provider can use additional funding to raise wages above the wage floor or provide income to owners/directors.

#### Section 5: Applying for Smart Start Workforce Grants

#### 1. Can I submit my application for Smart Start Workforce Grants via the USPS mail?

No. Applications must be submitted online through the Gateways Director Portal. Mailed applications will not be accepted. If you need assistance accessing the online portal, contact <u>grants@inccrra.org</u>.

#### 2. What can I do to prepare to apply for Smart Start Workforce Grants?

You want to make sure you are ready to apply for each period of Smart Start Workforce Grants. Start this check list below today!

- Keep your Registry membership and Registry Director Portal current. Your Registry membership and Director Portal access renew annually and often at different times. You can check your Director Portal Expiration <u>using these steps</u>.
- Make sure all reporting for all grants is complete and accepted, this includes Child Care Restoration Grants, Child Care Workforce Bonus, Strengthen and Grow Child Care Grants, and Smart Start Transition Grants Rounds 1-3. Programs must be current on all previous grant reporting to be eligible for Smart Start Workforce Grants.
- You must have a Unique Entity Identifier (UEI). This process can take time and should be started now! Entities doing business with the federal government will now require the Unique Entity ID created in SAM.gov. If you are unsure how to obtain a UEI, refer to the <u>UEI tip sheet (Spanish)</u>.
- Update your classroom listing often in your Gateways Registry Director Portal. Use <u>this help article</u> for detailed instructions on how to update your classroom listing.
- For centers, corporations, partnerships, and Limited Liability Companies (LLC) an Illinois Secretary of State Certificate of Good Standing will be required. This must have a date of 2024 to apply for Smart Start Workforce Grants.
- New to Smart Start Workforce Grants, Family Child Care will need to create a classroom card for their program in the Registry. More information will be given specifically for family child care on how to do this in the Registry.
- Start to think about your CCAP enrollment. Are you currently caring for enough children within subsidies to meet the requirement. Might you need to recruit additional CCAP families? Or do you have families that are private pay that may be eligible for CCAP.
- Start to think about your program enrollment, making sure that your program will meet the enrollment minimum of four children set for Smart Start Workforce Grants.
- Review wages in your program and determine the amount needed to increase wages to at least the wage floor for assistants.
- Consider how your program manages payroll and set up a plan for how you will report payroll documentation to prove the wage floor requirements are met. This will be required quarterly.

#### 3. How can I get help with applying for Smart Start Workforce Grants?

You have multiple options to get help!

<u>Locally</u> - Local child care resource and referral agencies have a local expert that you can work with to answer questions and prepare to apply for the Smart Start Workforce Grants. Find your local expert <u>here</u>.

<u>By Email</u> - Email <u>grants@inccrra.org</u> and a helpline specialist can offer answers to simple questions, offer technical assistance on accessing the Gateways portal, or help with the online application. You can also email your grant specialist that you worked with for Transition Grants, they will be able to answer eligibility and application questions.

By Phone - You can call your Grants Specialist to check on eligibility details, and past grant reporting.

#### Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Page 7 of 8

#### **Section 6: Reporting**

#### 1. How often will reporting be collected?

Reporting will be due quarterly by the 15th of the month following a grant period. For example, Smart Start Workforce Grants State Fiscal Year 2025 round one funding covers October 2024 - December 2024. The first round of reporting will be due by January 15, 2025. If the reporting is not completed by the deadline, it will affect future grant payments.

#### 2. What will be required for reporting?

All participating Family Child Care and Family Group Child Care programs will be required to upload their Schedule C Tax form showing program expenses annually. Family Child Care and Family Group Child Care programs that receive a higher grant amount for employing an assistant must also provide payroll documentation to confirm that they paid assistants at or above the Smart Start Workforce Grant required wage floor. This is designed to help INCCRRA and IDHS-DEC to understand the impact and success of the Smart Start Workforce Grant program

Family Child Care and Family Group Child Care with Assistants	Family Child Care and Family Group Child Care without Assistants
Schedule C tax form that includes program expenses	Schedule C tax form that includes program expenses
<b>Payroll reporting</b> that includes for each staff member:	
Name	
Total hours worked	
Gross pay	
Deductions	
Net pay	
OR	
<b>Paystubs</b> showing the above information.	

Providers will also complete a short narrative report about the impact on their program, including enrollment and staffing questions. This narrative report will be similar to the narrative required under Smart Start Transition Grants and is designed to help INCCRRA and IDHS-DEC to understand the impact and success of the Smart Start Workforce Grant program.

Lastly, programs will be required to complete and upload a receipt of funding letter that is provided by INCCRRA when their check is mailed. This confirms that they are accepting the grant funding.

Smart Start Workforce Grants – Frequently Asked Questions for Licensed Family Child Care and Family Group Child Care Pa

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