

Family Child Care Start-up Grant Report

Summary for the Rhode Island Department of
Human Services

Public Consulting Group, February 2024

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EXECUTIVE SUMMARY

In 2022, the Rhode Island Department of Human Services (DHS) launched the Family Child Care Start-up Grant, funded by the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF). The purpose of this program was to provide grants to newly licensed Family Child Care (FCC) providers and those interested in becoming licensed FCC providers to open their business with a reduced financial burden and ultimately, expanding the number of child care slots across the state. To support the application and disbursement of grants, Public Consulting Group (PCG) was contracted as the fiscal intermediary to support DHS.

Individual grants of \$2,000 were designed to cover common costs associated with child care licensure, including fire related repairs and/or health and safety items, quality improvement items, lead and radon Inspections, and liability insurance. The grant opened on March 30, 2022, and was closed on December 15, 2023.

The following summarizes highlights from this grant project:

- While the goal was to award 200 providers, ultimately 130 awards were disbursed. Most commonly, recipients lived in Providence (60.77%) and Cranston (6.92%).
- Of the 130 grant recipients, 72 are currently DHS-licensed child care providers; opening up an estimated 432 child care slots.
- Grant recipients were predominately women (96.92%), who identified as Hispanic or Latino (78.46%).
- 30% of grant recipients identified as White, while 17.69% identified as Black or African American and 15.38% preferred not to disclose racial demographic information.
- The majority (68.46%) of grant recipients were under the age of 40 years old.
- Most commonly (63.08%), the highest level of education of grant recipients was a High School diploma or equivalent.
- 72.31% of grant recipients reported the application process was “Easy” or “Very Easy”.
- Grant recipients were invited to participate in a Strengthening Business Practices for Child Care programs training series (available in English and Spanish) in an effort to provide grant recipients with a strong foundation in business practices to ensure long-term success after starting their programs. 53.08% of grant recipients attended all 4 modules within the series, while another 23.85% attended one or more module in the series.
- Of those attending the trainings, 94% reported they planned to set up a budget after attending the budgeting module and 85% reported they planned to open a separate business banking account to support best business practices.
- Overall, attendees felt the trainings were beneficial, with 81% reporting “This training was helpful to me”.
- When asked about spending grant funds, 64 grant recipients reported they had spent 76-100% of their grant award when completing their spending poll.

BACKGROUND

The ongoing COVID-19 pandemic substantially impacted the child care sector nationally, including the number and capacity of licensed Center and Family Child Care programs. This was also true in Rhode Island. In 2022, to incentivize the opening of new licensed child care programs and expand open child care slots, the State of Rhode Island (RI) dedicated \$200,000 in American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF) funds to the Family Child Care Start-up Grant program. This grant program offered funding and technical assistance services to newly licensed Family Child Care (FCC) providers and those interested in becoming licensed FCC providers. The grant funding was designed to allow providers to open their businesses with a reduced financial burden and expand the number of child care slots across the state. To support the application and disbursement of grants, Public Consulting Group (PCG) was contracted as the fiscal intermediary to support the Department of Human Services (DHS).

The application for grant funds first opened on March 30, 2022, with the initial goal of awarding 100 providers by June 30, 2022. The initial grant period closed on July 8, 2022. Rhode Island's Pandemic Retention Office (PRO) extended the contract and grant period through December 2023, and additional funds were reauthorized to support this grant (\$200,000). PCG reopened the grant on October 3, 2022 and closed the application on December 15, 2023, with an updated goal of awarding 200 providers total.

Each grant award was set at exactly \$2,000.00. This amount was determined using estimated costs for set up and program quality improvement, as outlined in Table 1 below.

FIGURE 1. FCC START-UP GRANT TIMELINE

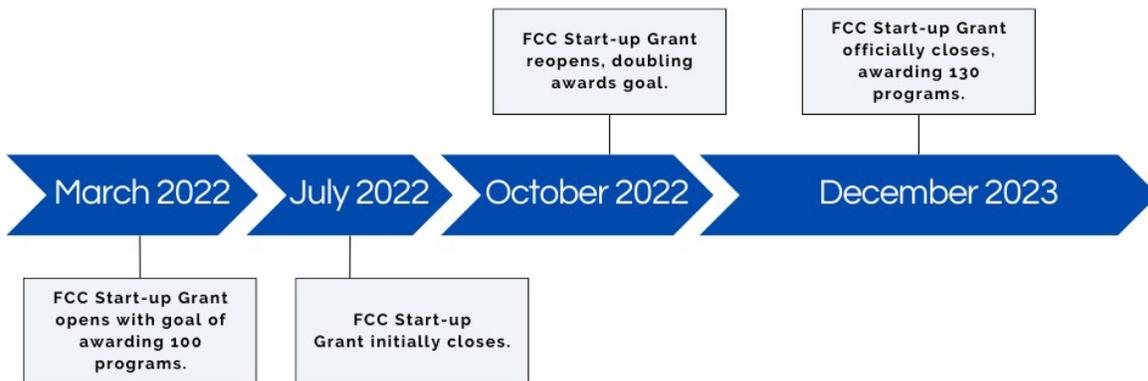


TABLE 1. ESTIMATED GRANT EXPENDITURES

Budget Item	Cost
Quality improvement items (items that will increase scores on an FCC Environment Rating Scale program review ¹)	\$1,150
Fire related repairs and/or health and safety items (extinguisher, plug covers, etc.)	\$350
Lead and radon inspections	\$250
Average cost for liability insurance	\$250
Total	\$2,000

¹ Examples include: easy-to-use door handles, soft furnishings, safe sleep environment materials, age-appropriate tables/chairs, safe-diapering structures and materials, EPA registered disinfectant, filing system, indoor/outdoor toys, age-appropriate soft toys, age-appropriate books, art/craft materials, math and number materials, manipulatives, puzzles, blocks, dramatic play materials, materials that represent diversity, etc.

As an additional requirement for the contract, PCG adapted and delivered the Strengthening Business Practices for Child Care Programs Series, a product of the National Center on Early Childhood Quality Assurance. Outcomes of this training series are detailed in the [Strengthening Business Practices training series](#) section of this report. The aim of this training was to ensure FCC providers had a strong foundation in business practices to ensure long-term success after starting their programs.

GRANT REQUIREMENTS

In collaboration with DHS, eligibility requirements for applicants were established and posted on the Rhode Island [Children's Cabinet Funding Opportunity website](#). This site hosted the application link and served as the primary source of information related to the grant, including an overview, FAQ, and Budget Planning Worksheet, available in English and Spanish.

To be eligible for the start-up grant, applicants were required to:

1. Be a resident of Rhode Island
2. Submit an application
3. Complete the DHS licensing orientation webinar hosted by the Center for Early Learning Professionals (CELP)
4. Submit pre-licensing paperwork to DHS
5. Enroll and complete the First Steps Pre-Service training offered by the CELP
6. Commit to participating in BrightStars (RI's tiered quality rating system) once licensed (maintaining a rating of at least a Level 2)

PCG worked with DHS and the PCG Legal Team to develop a set of attestations to be included in the application. The attestations included key understandings about the responsibilities for participating in the program and implications of receiving funds.

REVIEW AND AWARD METHODOLOGY

PCG developed the application for this grant in English and Spanish and managed the hosting on GrantsConnect, an online web-based application portal. This can be found in [Appendix B](#).

Weekly, PCG reviewed submitted applications to determine if applicants met the eligibility criteria. This included confirming:

1. The uniqueness of each application and matching of GrantsConnect name to applicant name and signature (this included eliminating duplicate submissions)
2. The applicant affirmatively attested to the application requirements
3. The applicant resided in RI and contact information looked appropriate and reasonable
4. The banking information provided was unique to the applicant (and did not appear to be duplicate with another awardee or to be routed to an account belonging to someone other than the applicant)

After PCG reviewed applications and determined which applications met the eligibility criteria and which required technical assistance support and outreach, these applications underwent a final quality check before being submitted to DHS for final review and approval. Once DHS made a final award decision, applicants were notified of their approval, denial, or application cancellation by email. Approved applicants were issued payment by ACH (direct deposit) or mailed a check.

Approved applicants were then invited to attend the Strengthening Business Practices training series and prompted to complete a Spending Poll, detailing how grant funds were spent.

OUTREACH AND MARKETING STRATEGIES

PCG supported DHS in the outreach and marketing for this grant program. PCG developed multiple social media graphics for use by the DHS Communications Department, digital flyers distributed by DHS

to all DHS local offices for posting, and two brief commercial videos. Similarly, PCG drafted email content and social media posts. All collateral was developed in English and Spanish.

The commercial videos may be viewed online:

- [Initial grant period](#) – English
- [Initial grant period](#) – Spanish
- [Extended grant timeline](#) – English
- [Extended grant timeline](#) - Spanish

Additional examples of social media posts and advertising flyers may be viewed in [Appendix A](#).

The social media posts, as well as the commercial video, were updated throughout the life of the project to reflect updated grant award counts and the extended closing date.

To increase awareness of the Family Child Care Start-up grant opportunity when it opened March 30, 2022, PCG emailed all actively licensed DHS family child care providers to share information and request providers share the grant information with anyone they thought may be interested in applying. This email went out to just under 400 providers. PCG also conducted email and phone outreach to anyone who was already in the DHS Orientation process to let them know about this opportunity.

As DHS posted social media graphics on social media sites, such as Facebook, they developed an interest inquiry list. From January 2023-June 2023, PCG conducted email and phone call outreach to all individuals submitting an inquiry request in response to DHS' social media posts. Overall, PCG conducted 307 outreaches.

Similarly, in February 2023, CELP began forwarding outreach lists of individuals who attended previous sessions of their First Steps and Orientation trainings. From February 2023- July 2023, PCG conducted 362 outreaches (phone and email in English and Spanish) to make First Steps and Orientation attendees aware of the grant program and answer any questions.

In data collected from the optional pre-training survey for the Strengthening Business Practices training series, awardees were asked how they heard about this grant program. The responses were as follows:

FIGURE 2. EXAMPLE SOCIAL MEDIA POST



TABLE 2. ACF BUSINESS SERIES PRE-TRAINING SURVEY RESPONSE

How did you hear about the Family Child Care Start-Up Grant?	Count
During Orientation or First Step Training	34
Email	22
Word of mouth	14
Two or more methods	9
DHS Video	6
Social Media: Facebook, Twitter	4
Other	2

GRANT PERIOD AND AWARDS

At the close of the grant cycle in December 2023, 130 awards were issued to prospective family child care providers across the state. The total awards were more than the initial grant award goal of 100 and less than the revised grant award goal of 200. As such, unexpended funds for the remaining 70 awards were returned by PCG to DHS.

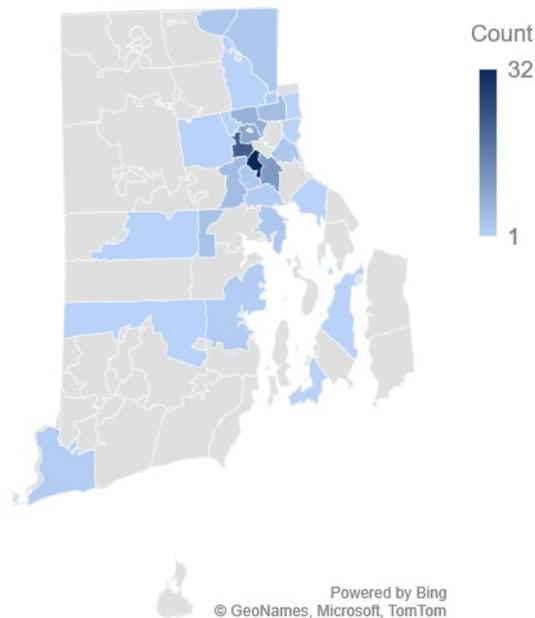
The majority of the 130 awards (43%) were issued in Fiscal Year (FY) 2023. The most awards were issued in March 2023 (count: 16), followed by April 2022, the month following the launch of the grant (count: 15).

TABLE 3. AWARDS BY FISCAL YEAR

Fiscal Year	Count	Percent
FY22	35	26.92%
FY23	56	43.08%
FY24	39	30.00%
Grand Total	130	100.00%

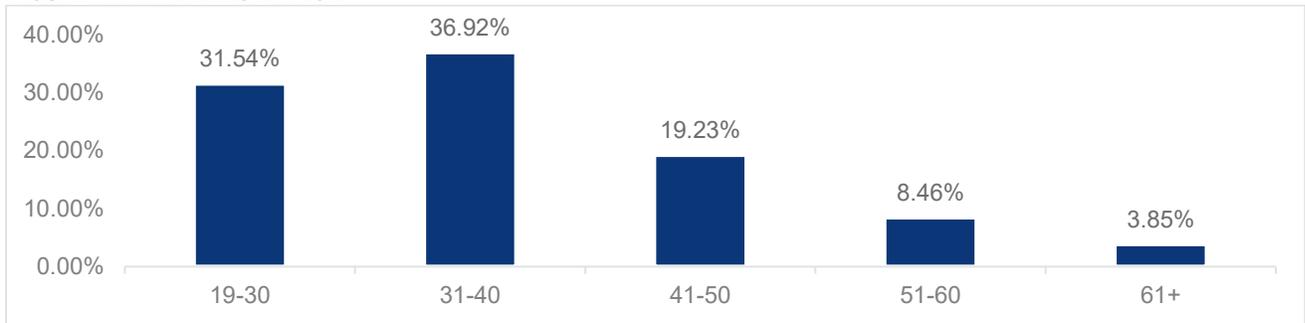
Most commonly, awardees lived in Providence (60%), followed by Cranston (6.9%), and Pawtucket (4.6%)

FIGURE 3. HEAT MAP OF AWARDEES' RESIDENCE



Sixty-eight percent of awardees were under the age of 40 years old at the time of their award and almost all were women (96.9%).

FIGURE 4. AWARDEES BY AGE



When asked which race and ethnicity they most identify with, 30% of awardees identified as White, 26.9% identified as Other, and 17.6% identified as Black or African American. The majority of awardees identified as Hispanic or Latino (78%).

FIGURE 5. AWARDEES BY RACIAL DEMOGRAPHICS

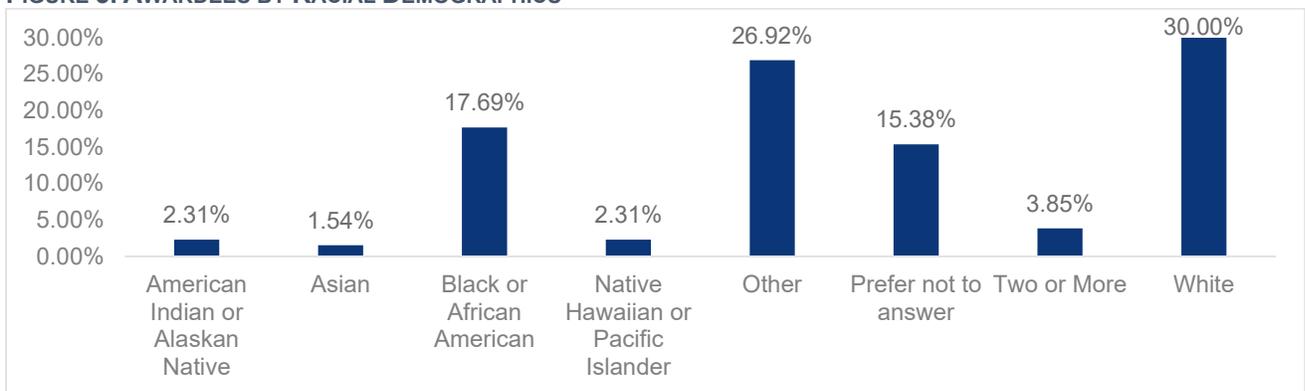
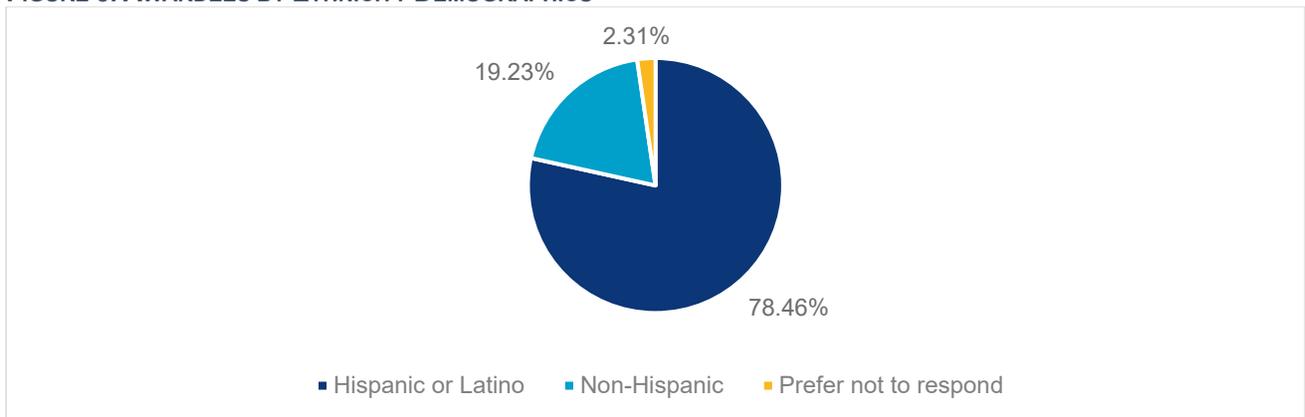


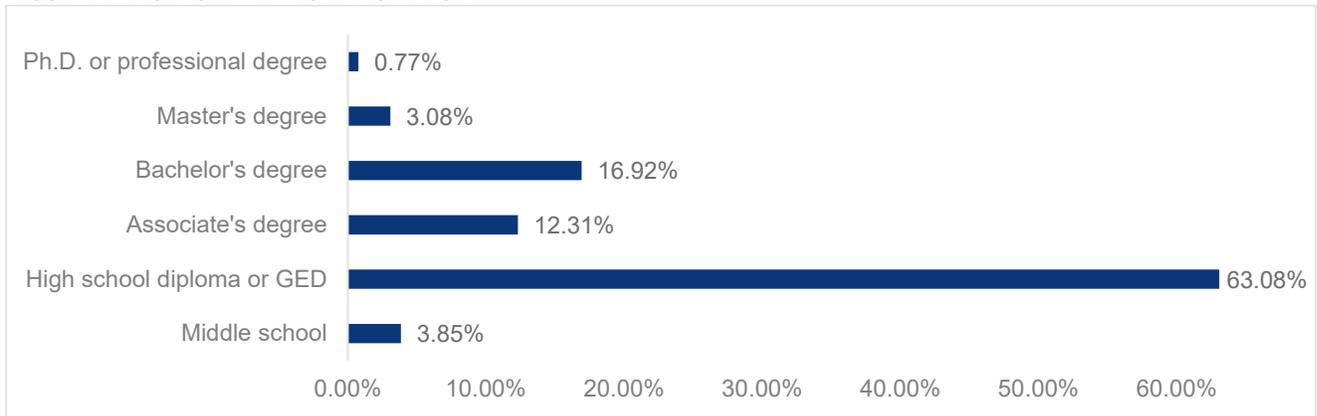
FIGURE 6. AWARDEES BY ETHNICITY DEMOGRAPHICS



Fifty-seven percent of awardees identified Spanish as their preferred language, followed by English (39%), and Other (1.5%)

When considering the highest level of education and previous work experience, a third (33%) of awardees held some type of college degree (Associates, Bachelors, Masters, or Ph.D.). The majority of awardees (63%) held a high school diploma or GED.

FIGURE 7. HIGHEST LEVEL OF EDUCATION



Most commonly, awardees identified they were previously employed in the child care field (29%); with 10% identifying as a previous family child care provider and 19% stating they were an Assistant or Emergency Assistance at a licensed FCC in Rhode Island. Other sectors where awardees were previously employed included Health Science and Health Services (25%), Education and Training (13.8%), and Hospitality (6.9%).

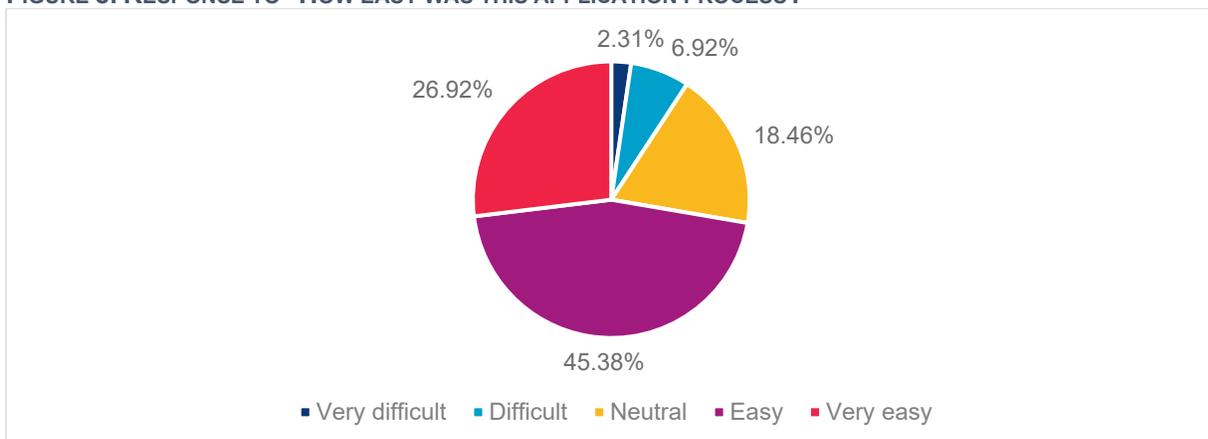
When asked why they were interested in becoming a licensed family child care provider, 70% stated “I like working with children and would like to make it my profession”. As one awardee said, “I have always loved working with children, that is why I went to college for Early Childhood Education. I have always dreamt of becoming a family child care provider at my home.”

TABLE 4. STATEMENTS OF AWARDEES INTEREST

Statement	Percent
I like working with children and would like to make it my profession	70.00%
I care for children in my home and would like to become licensed	11.54%
I would like to start my own business	11.54%
Other	5.38%
I am an active license-exempt provider and would like to become licensed	1.54%

Overall, most awardees felt this application process was “Easy” (45.38%) or “Very Easy” (26.92%).

FIGURE 8. RESPONSE TO "HOW EASY WAS THIS APPLICATION PROCESS?"



PROVIDER SUPPORT

TA OUTREACH

The Family Child Care Start-up grant opened around the same time as the Early Educator Pandemic Retention Bonus program, a grant also overseen by PCG. In an effort to streamline technical assistance and communications, PCG utilized the same email inbox (childcaregrants@pcgus.com) and toll-free phone number for both programs. In the first phase of these grants, PCG did not differentiate TA efforts by grant program type. As such it is difficult to directly report on the Family Child Care Start-up grant inquiries or requests From March 2022-October 2022.

When the Family Child Care Start-up Grant reopened in October 2022, PCG began tracking email inquiries uniquely from the Pandemic Retention Bonus. On average (from October 2022-December 2023), PCG responded to 36 email inquiries monthly. This could range from as low as 7 emails monthly to 79 emails monthly.

PCG provided technical assistance support in English and Spanish for:

- **An average of 36 email inquiries monthly**
- **307 outreaches to individuals requesting information through social media inquiries**
- **362 outreaches to individuals completing the First Steps/Orientation sessions at CELP**
- **Incoming phone calls, as needed**

STRENGTHENING BUSINESS PRACTICES FOR CHILD CARE PROGRAMS - TRAINING CONTENT DEVELOPMENT

In May 2022, three members of PCG's team attended a 'Train the Trainer' Strengthening Business Practices for Child Care Programs training series offered by the National Center on Early Childhood Quality Assurance (NCECQA). This training series included content from four modules:

1. Budgets Planning and Projections
2. Financial Reports and Internal Controls
3. Marketing Your Program
4. Staff Recruitment and Retention

The NCECQA's Strengthening Business Practices for Child Care Programs training series addresses basic concepts in fiscal and operational management for child care providers. These trainings are grounded in the belief that strong and sustainable child care businesses can support program initiatives aimed at improving outcomes for children.

Using and adapting NCECQA's content shared from this training, PCG developed hybrid training modules. In addition to NCECQA's content, PCG supplemented modules with unique, Rhode Island specific material. This allowed PCG to tailor content specifically for the RI FCC provider community and address any priorities identified by DHS. Content was clearly branded as either NCECQA or RI content, as shown in the example below.

FIGURE 9. BUSINESS TRAINING POWERPOINT SLIDE EXAMPLE: RHODE ISLAND SPECIFIC CONTENT

Training Background

This session is built upon the National Center On Early Childhood Quality Assurance (NCECQA) Strengthening Business Practices for Child Care Programs, with additional content developed specifically for Rhode Island providers.

Zoom Out
NCECQA national, best practices are presented in this slide type.

Zoom In
Rhode Island specific content is presented in this slide type.

Beginning with a Budget
Ask yourself: Does my program have a budget that lists all program expenses?
Yes No
If Yes → Now is a great time to locate and review that budget.
If No → Now is a great time to create that budget.

2

PCG adjusted the delivery order of the modules and adapted content to be more applicable to family home providers. This resulted in a fourth module focused on *Best Practices for Supervising Assistants*, rather than *Staff Recruitment and Retention*. For this module, PCG created the following sample provider resources in English and Spanish for provider use: (1) Employee Handbook, (2) Interview Tips, (3) Providing Feedback Sentence Stems, (4) Sample Job Description, and (5) State Regulation Sign Off.

Utilizing feedback from the Summer 2022 training, PCG altered its approach for offering office hours. Though not specifically recommended in the Strengthening Business Practices training series, PCG offered English and Spanish office hours for additional support and technical assistance for complex training content. Rather than offering the office hours within the same week as the content delivery for the *Budgets, Projections, and Planning* session and the *Financial Reports and Internal Controls* session, PCG moved office hours to “Week 5” (the week after all training material was presented). This would allow attendees the time to review the content and come to the session with questions. During these office hours, PCG presented answers to common themes and questions gathered through the post-training surveys. In addition to answering questions, PCG used this time to provide support and demonstrate how to use different materials sent to attendees following the trainings (including a budgeting template, an income statement template, a balance sheet template, a cash flow statement template, and a time/space calculator).

Through post-training feedback as well as feedback from CELP, PCG determined additional support was needed in using Excel spreadsheets. PCG created short “How to” videos to supplement the budgeting and reporting templates which were distributed as resources for the *Budgets, Projections, and Planning* and *Financial Reports and Internal Controls* sessions. These short videos were intended to increase understanding of using these specific resources (which were embedded into the Excel platform), as well as provide tips and tricks for using Excel more generally.

These short videos are linked here:

- [Balance Sheet - English](#)
- [Balance Sheet - Spanish](#)
- [Budget Template - English](#)

- [Budget Template - Spanish](#)
- [Cash Flow Statement - English](#)
- [Cash Flow Statement - Spanish](#)
- [Income Statement - English](#)
- [Income Statement - Spanish](#)

PCG conducted a total of four rounds of this five-part professional development series for grant recipients during Summer 2022, Winter 2023, Summer 2023, and Winter 2024. Each series was offered virtually in English and Spanish via Zoom over the course of five weeks, during evening hours, to accommodate providers' daytime working schedules. Participants received certificates upon completing each training course.

Session Objectives

The session lineup as well as objectives for each session are detailed below.

Week 1: Marketing Your Program (2-hour session)

Objectives:

- Understand the definition and value of marketing efforts that are focused both externally and internally
- Be able to articulate your program's features and benefits, and understand how to use each as marketing tools
- Appreciate how information can help you make marketing decisions about where to spend your time, energy, and resources

Week 2: Budgets, Projections, and Planning (1.5-hour session)

Objectives:

- Learn a process for building a budget and how to use it for decision making throughout the year
- Understand how to project business costs, generate additional income, and plan strategically for future goals

Week 3: Financial Reports and Internal Controls (1.5-hour session)

Objectives:

- Identify what internal controls mean in a family child care setting and how they can strengthen the fiscal health of your program
- Introduce financial reports that can help you to better manage your program's finances
- Understand how and when to create a cash flow statement

Week 4: Best Practices for Supervising Assistants (1-hour session)

Objectives:

- Understand best practices for interviewing, hiring, and supervising assistants
- Be familiar with job descriptions and employee handbooks
- Identify strategies for providing feedback to assistants

Week 5: Office Hours / Q&A (1-hour optional session)

Objectives:

- Address provider questions as needed
- Review budget/reporting documents as requested

Attendance

Attendance was collected over the course of each training series. Each grant recipient had an opportunity to attend “make-up sessions” offered at subsequent training series. This excludes awardees who received the grant after July 11, 2023, as there was only one training series offered after this date.

Prior to each series, PCG emailed reminders to participants with partial attendance, inviting them to attend previously missed sessions. New awardees were invited to RSVP for the series and were sent reminders prior to each training session to encourage attendance.

The following chart represents the attendance for all awardees. The category “Partial Attendance” means the awardee may have attended between 1-3 sessions throughout all training series; whereas “Complete Attendance” means the awardee attended all 4 of the required training sessions.

TABLE 5. BUSINESS TRAINING SERIES ATTENDANCE

Attendance Record	Count	Percent
Complete Attendance	69	53.08%
Partial Attendance	31	23.85%
Did not engage in training series	30	23.08%

Feedback

Prior to the kickoff of each training series, information was collected for grant recipients through an 11-question pre-training survey. Feedback was also collected by participants through an eight-question post-training survey. Neither of these surveys were required.

Of the 80 total unique responses from people who attended the marketing session, 74 (92%) answered they planned to set up a marketing plan after attending this session. Six already had a marketing plan.

FIGURE 10. MARKETING EVALUATION RESULTS



Similarly, of the 88 total unique responses from people who attended the budgeting session, 83 (94%) responded they planned to set up a budget after attending this session. Five stated they already had a budget.

FIGURE 11. BUDGETING EVALUATION RESULTS



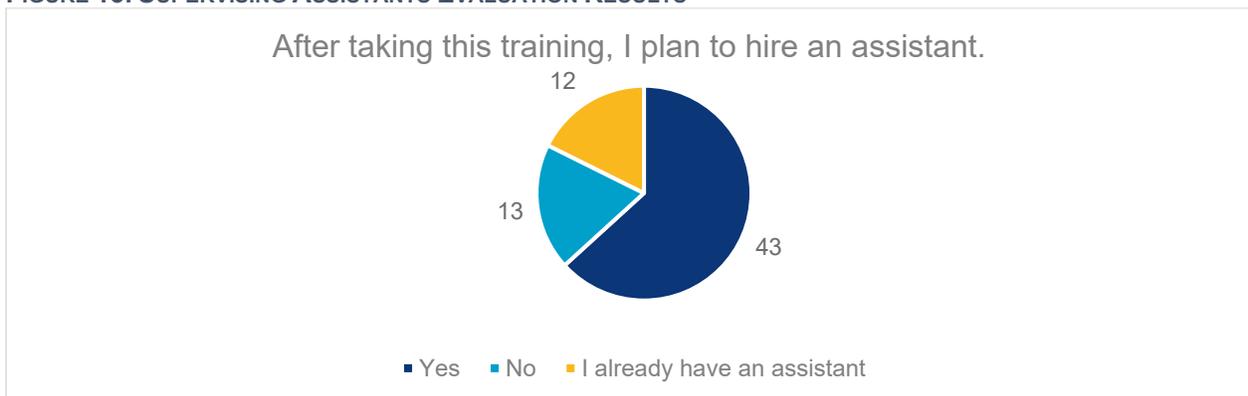
Following the Reporting training, 85% (56 of the 66 attendees) noted they planned to open a separate business banking account, to support best business practices. Nine noted they already had a separate account, and only 1 person answered they did not intend to open a business bank account.

FIGURE 12. REPORTING EVALUATION RESULTS



For the Supervising Assistants training, 63% (43 of the 68 attendees) answered they planned to hire an assistant. Twelve attendees (18%) stated they already had an assistant, and 19% did not plan to hire for this position.

FIGURE 13. SUPERVISING ASSISTANTS EVALUATION RESULTS



Attendees were asked to rate their experience with the training content, objectives, understanding of materials, and interaction with the facilitators. Where “Strongly Disagree” or “Disagree” were consistently selected, PCG observed the attendees generally provided positive comments in the open text fields and other questions. This led PCG to believe the order of the rating scale or layout of the survey may have been unclear to some participants, and “Strongly Disagree” or “Disagree” were not intended to be selected.

The two figures below show survey responses across all four-training series in response to the prompts “The topics covered were relevant to me” and “This training will help me with my business”.

FIGURE 14. RESPONSES TO PROMPT "THE TOPICS COVERED WERE RELEVANT TO ME"

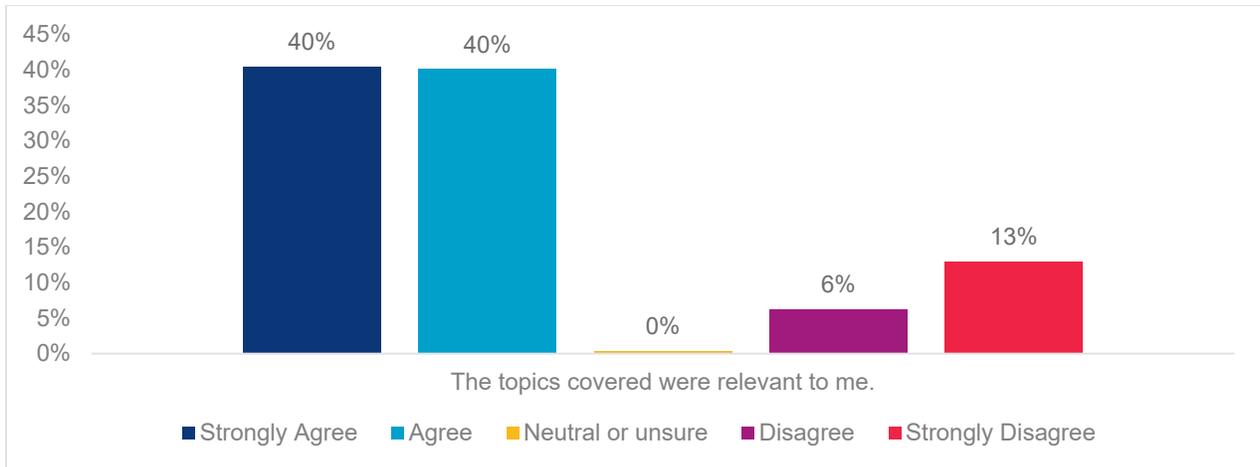
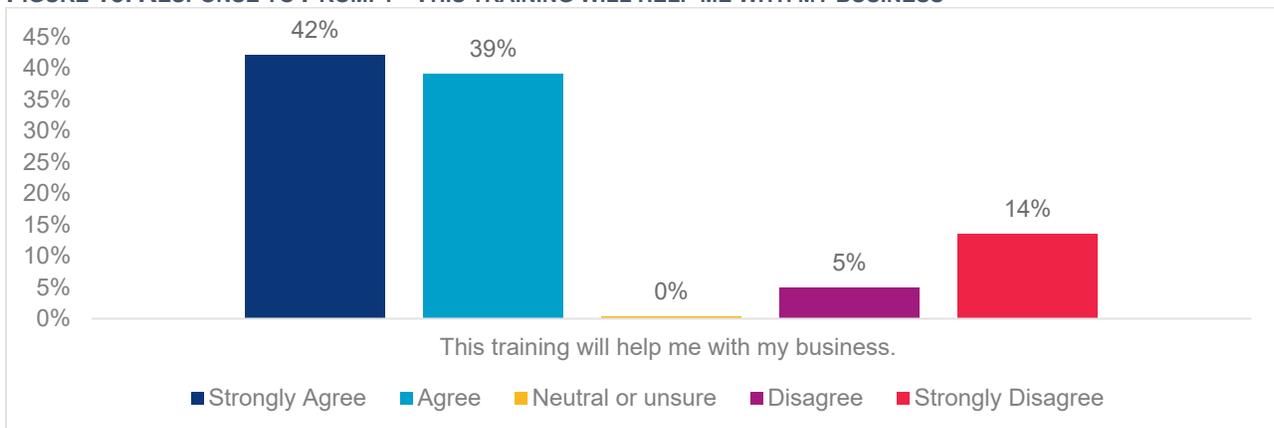


FIGURE 15. RESPONSE TO PROMPT "THIS TRAINING WILL HELP ME WITH MY BUSINESS"



Below is a sample of attendee responses when asked what they learned as a result of attending this training:

TABLE 6. SAMPLE RESPONSES OF WHAT WAS LEARNED THROUGH THE TRAINING SERIES

Training Session	Provider Response
Marketing Your Program	<p>“I learned how to retain current customers and how to engage potential customers.”</p> <p>“Knowing it doesn’t cost much to market your daycare.”</p>
Budgets Planning and Projections	<p>“Having a budget for my program will better help me track expenses”</p> <p>“I learned to plan like I have less for unforeseen times. I also learned...to compensate for the times when things pop up and for long term changes”</p>

Training Session	Provider Response
Financial Reports and Internal Controls	“Something I learned and will use from now on is the excel document to see your spending and earnings” “To ensure not to mix my business with my personal account.”
Supervising Assistants	“That no matter how close I am to a person I need to interview them.” “Outlining the role, requirements, and responsibilities in the job description!”

REPORTED SPENDING

PCG distributed a spending poll to grant recipients to better understand how awardees were using their grant funds. The first round of data collection was in August 2022, and the second round was in January 2024. Both spending polls contained the same set of questions. The second poll (January 2024) was sent to anyone who had yet to complete the first poll and/or had been awarded after the initial data collection period of the first poll.

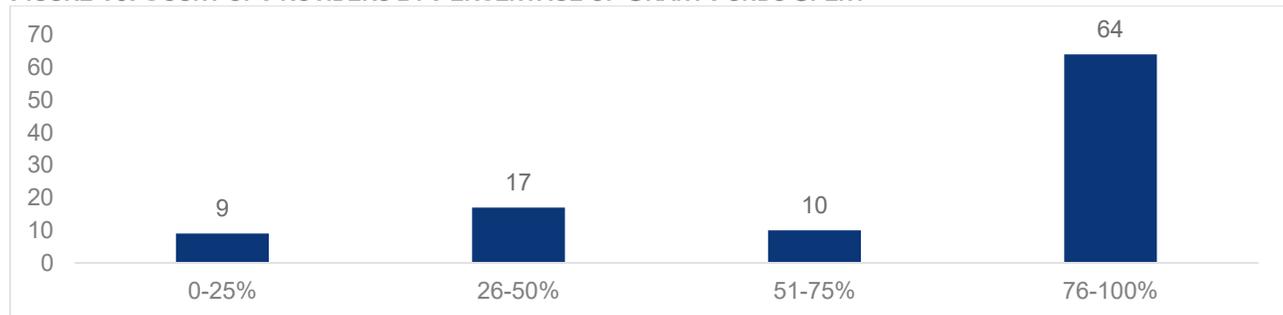
In total, 100 of the 130 grant awardees completed this poll, representing a 77% response rate.

Recipients were asked what percent of their funds had been spent, along with the spending categories where they had spent these funds or planned to spend them. The spend categories aligned to the four spend categories identified at the design of the grant program:

- Quality Improvement Items
- Fire related repairs and/or health and safety items
- Lead and radon inspections, and
- Liability Insurance.

Most respondents (64%) spent 76% or more of the \$2,000 award at the time of completing the spending poll. The second highest percentage spent category was those who spent almost half (26-50%) of their grant (17% of respondents). On average, providers reported spending 79% of their grant award at the time of completing the spending poll. Fifty-nine awardees reported spending 100% of their grant award at the time of completing the spending poll.

FIGURE 16. COUNT OF PROVIDERS BY PERCENTAGE OF GRANT FUNDS SPENT



Lead and radon inspections (78%) and quality improvement items (75%) were the highest ranked categories where awardees spent or planned to spend their grant funds, followed by health and safety and fire related (61%), liability insurance (59%), and “Other” (1%).

Examples of provider spending is outlined below.

TABLE 7. EXAMPLES OF PROVIDER SPENDING BY CATEGORY

Spending Category	Examples of Provider Spending
Quality Improvement Items	“I purchased some educational toys, books, seats, table, playpen, diaper changing table, rug for circle time, shelf to keep space organized. Some funds are still available for the liability insurance, also purchase a secondhand clubhouse and climber. Some educational materials, like crayons, plain white paper, construction papers, paints, brushes, etc.”

Spending Category	Examples of Provider Spending
	"I purchased appropriately sized furnishing, developmentally appropriate toys and activities, and made improvements to the outdoor space."
Fire related repairs and/or health and safety items	"Fire safety door, Fire extinguisher, Flashlights, First aid kits." "I bought a fire extinguisher, and a new fire/smoke detector alarms for them to pass the inspections."
Lead and radon inspections	"\$150 for radon inspection, \$250 for lead inspection."
Liability Insurance	"\$400-\$450 for liability insurance."

The survey also asked whether awardees were licensed, and if not, what steps were preventing them from becoming licensed. At the time of completing the poll, respondents were relatively split between being licensed and in the process of licensure. However, the majority of those still in the process of licensure commented they were very close to completing the process and did not foresee any significant barriers to getting licensed.

The spending poll confirmed awardees were using, or planning to use, their funds across all allowable spending categories, and that they were being mindful about how they decided to use these funds. Seventy percent (70%) of survey respondents also noted they had kept their receipts related to these purchases.

OUTCOMES AND RECOMMENDATIONS

OUTCOMES

As of February 26, 2024, 72 of the 130 awardees (55.38%) are actively licensed DHS Family Child Care providers. Assuming a licensing capacity of 6 children, these programs increased the available child care slots within Rhode Island by 432 child care slots.

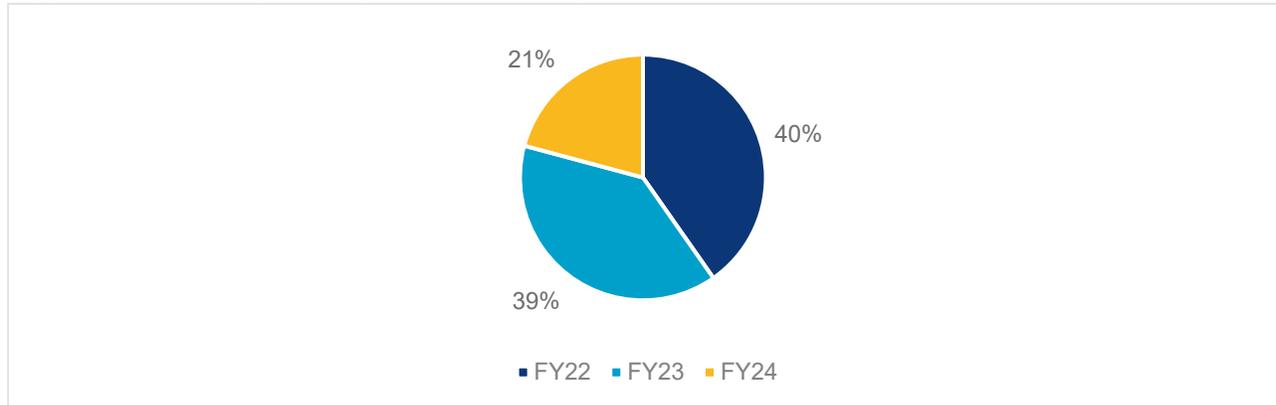
An additional 36 awardees (27.69%) are actively working through the licensing process. Almost 17% (22 awardees) have communicated with DHS the desire/need to return the funds. To date, only two awards have been recouped.

TABLE 8. LICENSING STATUS OF AWARDEES AS OF 2/1/2024

Licensing Status	Count	Percent
Active DHS License	72	55.38%
In process	36	27.69%
Identified for Recoupment	22	16.92%
Grand Total	130	100.00%

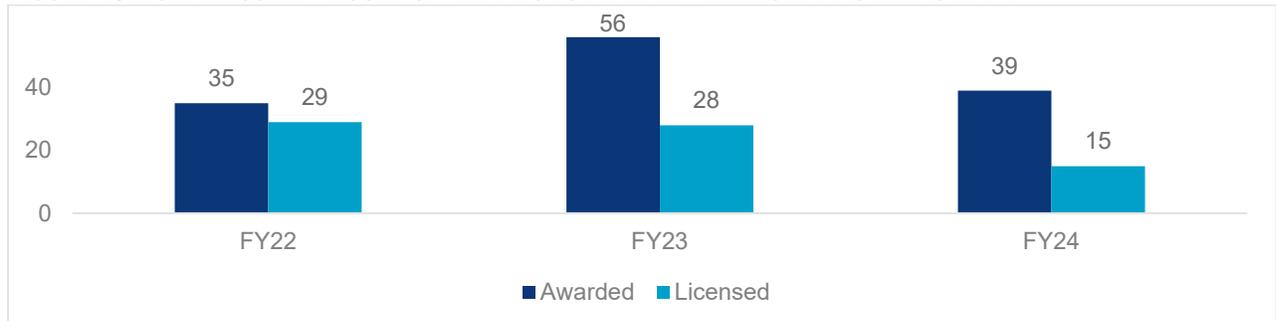
Of the 72 actively licensed FCC providers, 40% received their award in FY22; only 21% of those who received their award in FY24 are actively licensed.

FIGURE 17. PERCENT OF LICENSED FCC AWARDEES BY FY THEY RECEIVED THEIR AWARD



When comparing all FY awards to awardees who are actively licensed, 82.9% of those who received an award in FY22 are actively licensed; this drops to 50.0% in FY23 and 38.5% in FY24.

FIGURE 18. COMPARISON BY COUNT OF AWARDS TO ACTIVELY LICENSED PROVIDERS BY FY



LESSONS LEARNED AND RECOMMENDATIONS FOR FUTURE FUNDING OPPORTUNITIES

The Family Child Care Start-up Grant required coordination between PCG, CELP, and the DHS Child Care Licensing Unit. Upon the close of the grant program, these entities discussed lessons learned from the project. Lessons learned are as follows:

- **Agencies identified and implemented internal process improvements for increased efficiency in the licensing process:** DHS Child Care Licensing and CELP were able to examine their current process for licensure (as some pre-licensing steps must be completed with CELP prior to the submission of the licensing application) and implement workflow improvements related to technical assistance. As a result, the agencies were able to move applicants more efficiently through the licensing process.
- **The grant program increased the diversity in child care licensing applicants:** DHS Child Care Licensing observed this program attracted a broader range of diverse candidates than would typically be seen in the FCC licensing pipeline. DHS shared some FCC awardees have expressed interest in growing their businesses in the future beyond their home and opening a Center-based program.
- **Agencies saw an increase in provider engagement and their desire for professional development:** The program offered additional touch points for technical assistance and re-engagement. CELP observed it was typical for a newly licensed FCC provider to become disengaged from the technical assistance and support offered by the Center once they were licensed. After attending the Strengthening Business Practices training series as part of this grant program, hosted by PCG, awardees are more actively reaching out to CELP for additional professional development opportunities.
- **Prospective child care providers were able to build positive relationships with each other and oversight agencies:** Positive relationships were built on multiple levels. First, in the Strengthening Business Practices training series, PCG observed attendees coordinated their own networks for support. Awardees exchanged emails and contact information to create group chats, organically creating Communities of Practice or cohorts.

CELP and DHS Child Care Licensing also experienced increased positive relationships with awardees. While providers may default to seeing CELP or DHS Child Care Licensing as 'enforcement' agencies, the wrap-around outreach and support offered by both agencies helped awardees see that the CELP and their DHS Child Care Licensor is also there to help and support them in becoming a licensed, high-quality program. This talking point was often reiterated by PCG in email communications and in the Strengthening Business Practices training series, as awardees were referred to CELP and their DHS Child Care Licensor as resources.

- **The collaboration of agencies increased provider support:** Because of the coordinated efforts by CELP, DHS Child Care Licensing, and PCG, awardees were able to connect with multiple resources for support. The three agencies, operating under different functions and roles, often found if an awardee stopped responding to one agency, the applicant would be responsive to another agency. An awardee's responsiveness may depend on their status in the process of becoming licensed and proximity to the different agencies at that point in time (e.g., engagement with PCG through the Strengthening Business Training series, or having recently received a site visit from a CELP specialist). Similarly, an applicant may share barriers to becoming licensed

more openly with one agency than another. Because of the internal coordination, barriers to becoming licensed were more readily escalated for resolution or support.

- **By advising applicants to complete inspections earlier, barriers to licensure were more quickly identified:** CELP noted encouraging applicants to complete licensing inspections (e.g., lead, fire, etc.) earlier on in the licensing process may help identify potential barriers and provide a clearer picture to the applicant whether they'd be able to proceed with the process or if these barriers and/or costs would prohibit them from continuing.

The following are recommendations should a similar program be offered in the future:

- **The grant award may be disbursed in installments, related to milestone achievements:** All agencies agreed that the \$2,000 stipend was appropriate for the start-up needs of a family child care business. However, to encourage the applicant to complete the licensing process, disbursing the awards across two milestones would increase the accountability in opening a child care program.

For example, \$1,000 may be awarded upon completion of the application and enrollment in First Steps/Orientation (as they show the intent to become licensed). These funds may be used to fund the inspection expenses and health and safety requirements.

Then, once an awardee becomes licensed, the remaining \$1,000 may be awarded. These funds could then be used to purchase quality improvement materials and supplies.

Disbursing funds over time would also reduce any recoupment burden on the State or awardee should they decide not to become licensed. It may also create additional accountability for recipients to become licensed.

- **Quarterly Case Load Meetings and a universal tracker would streamline communication and data sharing between collaborating agencies:** While DHS Child Care Licensing, CELP, and PCG coordinated closely throughout the life of this project, formal case load meetings (where the licensing status of each applicant was reviewed) only occurred at the end of this project. It is recommended these types of meetings occur quarterly, to increase coordinated efforts for awardees not progressing toward licensure.

Similarly, each agency utilized their own internal tracking systems (whether MS Excel, Google Sheets, Child Care Licensing Systems). These systems were often shared via email with other agencies; however, to increase efficiency and coordination, a single system of record for grantees could be created giving all agencies access to the same information at the same time. This system could be as simple as an MS Excel spreadsheet on a shared site (such as SharePoint or Google Drive).

APPENDIX A: SOCIAL MEDIA POSTS

TABLE 9. SOCIAL MEDIA POST EXAMPLES

English	Spanish
 <p>Apply Now!</p> <p>FUNDS ARE AVAILABLE TO OPEN A LICENSED CHILD CARE BUSINESS IN YOUR HOME</p> <p>http://kids.ri.gov/cabinet/funding-opportunities</p>	 <p>¡Solicite Ahora!</p> <p>HAY FINANCIACIÓN DISPONIBLE PARA ABRIR UN NEGOCIO DE CUIDADO INFANTIL LICENCIADO EN SU HOGAR</p> <p>http://kids.ri.gov/cabinet/funding-opportunities</p>
 <p>START YOUR OWN HOME-BASED CHILD CARE PROGRAM</p> <p>START-UP GRANTS AVAILABLE NOW!</p> <p>FIND OUT MORE: HTTP://KIDS.RI.GOV/CABINET/FUNDING-OPPORTUNITIES/</p>	 <p>INICIE SU PROPIO PROGRAMA DE CUIDADO INFANTIL EN EL HOGAR</p> <p>¡SUBVENCIONES PARA LA PUESTA EN MARCHA DISPONIBLE AHORA!</p> <p>MÁS INFORMACIÓN: HTTP://KIDS.RI.GOV/CABINET/FUNDING-OPPORTUNITIES/</p>

English	Spanish
<p>As of May 2023, 87 newly licensed providers have started a child care business in their home with support from the Family Child Care Start-Up Grant</p> <p>Join our growing community!</p> <p>Find out more: http://kids.ri.gov/cabinet/funding-opportunities/</p>	<p>A partir de mayo de 2023 87 nuevos proveedores con licencia han iniciado su empresa de cuidado infantil en su hogar con el apoyo del Subsidio de Inicio de Cuidado Infantil Familiar</p> <p>Únase a nuestra comunidad en crecimiento!</p> <p>Descubra más: http://kids.ri.gov/cabinet/funding-opportunities/</p>

TABLE 10. DHS ADVERTISING FLYER EXAMPLES

English	Spanish
<p>Family Child Care Start Up Grants Are Available</p> <p>Are you interested in making a difference in your community?</p> <p>Receive up to \$2,000 in Start Up Funds</p> <p><i>Accepting applications through June 30</i></p> <p>To learn more, call 833-930-3540 or visit: http://kids.ri.gov/cabinet/funding-opportunities/</p>	<p>¡Hay Subvenciones de Inicio de Cuidado Infantil Familiar Disponible!</p> <p>¿Estás interesado en hacer una diferencia en tu comunidad?</p> <p>Podrías Recibir hasta \$2,000 en Fondos Para Abrir Un Cuidado Infantil Familiar</p> <p><i>Aceptando solicitudes hasta el 30 de junio</i></p> <p>Para obtener más información, llame al 833-930-3540 o visite: http://kids.ri.gov/cabinet/funding-opportunities/</p>

English

Are you interested in
caring for children in
your home?

If so, grant funds are available to help you open
your own child care business.



Visit kids.ri.gov/cabinet/funding-opportunities/
and scroll to 'Family Child Care Start-up Grant' to
learn more about the funding opportunity and how
to get started.

Reach out to childcaregrants@pcgus.com for any
additional information and/or questions!

Spanish

¿Está interesado en
cuidar a niños en
su hogar?

Si es así, hay una subvención disponible para
ayudarle a abrir su propio negocio de cuidado
infantil.



Visite <http://kids.ri.gov/cabinet/funding-opportunities/>
y acceda a "Subsidio de Inicio de
Cuidado Infantil Familiar" para obtener más
información sobre la oportunidad de financiación y
cómo empezar.

Para más información o preguntas, comuníquese
con ChildCareGrants@pcgus.com.

Are you interested in
caring for children in
your home?

If so, grant funds are available to help you open
your own child care business.



Scan the QR code, then scroll to 'Family
Child Care Start-up Grant' to learn more
about the funding opportunity and how to
get started.

Reach out to childcaregrants@pcgus.com for
any additional information and/or questions!



¿Está interesado en
cuidar a niños en
su hogar?

Si es así, hay una subvención disponible para
ayudarle a abrir su propio negocio de cuidado
infantil.



Escanee el código QR y, a continuación, acceda
a "Subsidio de Inicio de Cuidado Infantil
Familiar" para obtener más información sobre
la oportunidad de financiación y cómo
empezar.

Para más información o preguntas,
comuníquese con ChildCareGrants@pcgus.com.



APPENDIX B: GRANT APPLICATION

Family Child Care Start-Up Grant Application

Welcome and Introduction

Welcome to the application for the **Family Child Care (FCC) Start-Up Grant** program! This program is funded through the American Rescue Plan Act (ARPA) State Fiscal Recovery Fund (SFRF), as appropriated by Governor Dan McKee and the General Assembly. This program is intended to support newly licensed FCC providers in establishing their businesses, obtaining licensure, and enrolling families by offering \$2,000 one-time start-up grants to support with the following allowable costs:

- Quality improvement items
- Fire-related repairs and/or health and safety items (fire extinguisher, plug covers, etc.)
- Lead and radon inspections
- Liability insurance

This application window will open on October 3, 2022 and remain open until December 15, 2023. This program is first-come, first-served, so we encourage interested applicants to apply as soon as possible.

Who is eligible?

Eligible applicants must meet the following criteria:

- Be interested in becoming a licensed Family Child Care provider with DHS
- Be able to meet all health and safety requirements necessary to receive and retain licensure
- Complete DHS' online orientation webinar. You can find the link [here](#).
- Complete the CELP's First Steps training online
- Submit the pre-licensure information to the Department of Human Services. You can find directions [here](#).

All grant recipients must be licensed and operating their FCC program by March 31, 2024.

You may be eligible for this grant if you are a recently licensed Family Child Care provider, licensed a maximum 30 days prior to submitting this grant application.

Previously licensed Family Child Care providers (that is, a provider who is not currently licensed but has been licensed in the past) may also be eligible for this grant as they reopen their program, given their previous license was in good-standing at DHS.

For questions related to eligibility, please contact ChildCareGrants@pcgus.com.

Instructions and Resources

In order to complete this application, it will be helpful for you to have the following information in hand before you begin:

- Social Security Number or Individual Taxpayer Identification Number (ITIN)
- Banking account information (routing and account numbers) if you elect to receive your grant through direct deposit
- Your DHS-licensing Provider ID if you were recently licensed or you were licensed in the past.

Please visit <https://kids.ri.gov/cabinet/funding-opportunities/> for more information, including program information and application resources. Please contact our support team at

ChildCareGrants@pcgus.com or toll free at **833-930-3540** for assistance in English or Spanish.

Application

Please complete the following questions.

Information submitted in your Eligibility Form will also be evaluated as part of your application.

Demographic Information

The following information is being collected for informational purposes only and will have no bearing on bonus eligibility or awards.

Legal First Name as it would appear on a tax form *

Street Address *

City *

Zip Code *

Legal Last Name as it would appear on a tax form *

Phone Number *

Date of Birth *

Select the race(s) with which you most closely identify. You may select more than one race. *

American Indian or Alaskan Native

Asian

Black or African American

Native Hawaiian or Pacific Islander

White

Other

Prefer not to answer

Please enter your race: *

What is your preferred language? *

English

Spanish

Portuguese

Mandarin

Other

Select the ethnicity with which you most closely identify. *

Hispanic or Latino

Non-Hispanic

Prefers not to respond

Select the gender with which you most closely identify. *

Female

Male

Non-binary

Prefers not to respond

Preferred language: *

What is the highest degree of education you have completed? *

Middle school

High school diploma or GED

Associate's degree

Bachelor's degree

Master's degree

Ph.D. or professional degree

In what field was your most recent employment? *

Agriculture, Food, and Natural Resources

Architecture and Construction
Arts, Audio/Video Technology, and Communication
Business, Marketing, and Finance
Education and Training
Child care
Government and Public Administration
Health Science and Health Services
Hospitality
Information Technology
Law, Public Safety, Corrections, and Security
Retail
Science, Technology, Engineering, and Math
Never employed

Have you ever been a licensed Family Child Care provider in the state of Rhode Island? *

Yes
No

Approximately, when were you initially licensed? *

What was your Provider ID (if known)?

Have you ever been an Assistant or Emergency Assistant for a licensed Family Child Care provider in the state of Rhode Island? *

Yes
No

Please provide the name of the provider. *

Have you ever been a licensed Family Child Care provider in another state? *

Yes
No

Which state? *

Why are you interested in becoming a licensed Family Child Care provider? *

I like working with children and would like to make it my profession
I am an active license-exempt provider and would like to become licensed
I care for children in my home and would like to become licensed
I would like to start my own business
Other

Please explain why: *

Please select the licensure steps you have completed to date. Select all that apply. If none, select none.

DHS Orientation
First Steps Training
Submitted Licensure Paperwork
None

How easy was this application process? *

Very difficult
Difficult
Neutral
Easy

Very easy

I acknowledge as a condition for receiving this grant my program must participate in BrightStars. If awarded, I commit to enrolling in BrightStars, Rhode Island's Tiered Quality Rating and Improvement system, and working to achieve a minimum of a Level two rating. *

Agree

Banking Information

Enter your Social Security Number or Individual Taxpayer Identification Number (ITIN). *

To confirm the accuracy of the information you provided, please re-enter your Social Security Number or Individual Taxpayer Identification Number (ITIN). *

Grant recipients will be sent a Form 1099-MISC to document their receipt of funds as income in the year following their award (i.e., for funds received in 2023, a form will be sent in January/February 2024). How would you prefer to receive your Form 1099-MISC? *

Electronic copy by email

Physical copy by USPS mail

Please elect whether you would like to receive funds via Direct Deposit to a checking or savings account or by issuance of a paper check. *

Checking

Savings

Paper check

Name of Account Holder *

Routing Number *

Routing Number *Please re-enter your routing number for verification.

Account Number *

Account Number *Please re-enter your account number for verification

A check will be sent by USPS to the address listed in your applicant profile.

Note: Why are we asking for this information?

In order to issue the tax form: Form-1099 MISC, we will need to gather the Social Security Number or Individual Taxpayer Identification Number for all bonus recipients. All of the information provided in this application will be held and stored securely and utilized only for the purposes of this program.

Please Note: Electing to receive a paper check may delay payment up to 30 business days.

Attestations and Certifications

By signing below, you make the following representations, authorizations, and certifications:

REPRESENTATIONS AND AUTHORIZATIONS:

- I represent that I have read the items above, and I understand them. I also represent that all grants received will only be used for business related purposes as specified in the grant application.

CERTIFICATION AS TO ACCURACY:

- I certify that the information provided in this application and the information I have provided is true and accurate.

ATTESTATION LANGUAGE

- I understand the requirements of this program and certify that the information provided in this application and the information I have provided is true and accurate. I understand I can access assistance or ask questions regarding the program.
- I certify this is my first time applying for this program. I understand all awards are made on a first-come, first-serve basis for eligible applicants.
- I understand that I can only use these funds to support start-up costs of my FCC business and enable me to remain in good standing with DHS Licensing. I will retain any and all receipts demonstrating expenditure of these funds. If I have any questions regarding allowable expenses, I will immediately contact ChildCareGrants@pcgus.com.
- I understand any and all information I provide in this application will be protected, to the extent possible, and that DHS reserves the right to retain and refer to any and all information provided through this application.
- I understand that taxes have not be withheld from these grant funds. As the grant recipient, I am fully responsible for any and all tax consequences as a result of receiving this grant payments and cannot rely on anything that the State of Rhode Island, DHS, or PCG, state about this issue.
- I understand information I provided in this application including my full legal name, address, and social security number, will be used to generate a Form-1099 MISC tax form to be mailed to the address provided in my applicant profile. I also agree that information provided in this application, including my legal name, address, and social security number, may be used to generate a W9 form, where needed.
- I agree that the bank account information that I provide to receive this payment is accurate and is the account used by me for payment of business expenses. I agree I will not hold the State of Rhode Island, DHS, or PCG, responsible if the incorrect bank account information is provided and the funds are transferred to such account; the State of Rhode Island, DHS, and PCG, will accept the bank account information 'as is.'
- I agree I may be subject to federal or state reporting and/or auditing requirements. I agree to maintain and report detailed financial information, as required, and to make staff available to answer any questions or provide any documents about the grant payments and how it used the payments, upon request by any agency of the State of Rhode Island, including DHS or any other government agency, at any time.
- I attest to keeping my Family Child Care business open and available to children for **the next 6 months**. I also attest to keeping my license in good standing with DHS Licensing and will respond immediately to any inquiries or concerns from my DHS licensor. If the status of my program changes at any point, during the next 6 months, I will immediately contact ChildCareGrants@pcgus.com and DHS.ChildCarelicensing@dhs.ri.gov and I acknowledge that I may be obligated to repay the bonus award depending on the circumstances associated with the end of my employment.
- I understand that I must commit to becoming a DHS licensed provider and begin operating my Family Child Care program by March 31, 2024, and stay in communication with DHS should any challenges to becoming licensed arise.
- I understand that receipt of this grant may or may not influence my eligibility for income-based assistance programs and I take responsibility for making an informed decision regarding receipt of these funds prior to submitting an application.

- I understand that DHS reserves the right to verify all applications and, further, understand that DHS retains the right to recuperate funds in the case that a provider is found in violation of any of the aforementioned grant terms. I also understand that DHS reserves the right to verify that funds have been spent within allowable spending categories and that DHS may recuperate funds in the case that a provider spends outside of the allowable spending categories necessary to open their FCC business. If a grant awardee is subsequently determined to be ineligible for a FCC license with DHS, DHS reserves the right to recuperate grant funds.
- I agree to abide by all applicable state requirements and guidance, including but not limited to the Rhode Island licensing regulations for Family Child Care Home providers (218-RICR-70-00-2) or Group Family Child Care Home providers (218-RICR-70-00-7). I will read and understand the regulations before submitting an application: [HTTps://dhs.ri.gov/regulations](https://dhs.ri.gov/regulations)
- To further transparency in the expenditure of monies provided under the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (SLFRF), the Rhode Island Pandemic Recovery Office may publicly disclose the name of each recipient and the amount received from this program. No other information regarding a recipient will be publicly released. By agreeing to this attestation, the recipient acknowledges that the recipient is aware of and accepts that such public disclosure may occur.

If you have any questions regarding these attestations, please contact us at ChildCareGrants@pcgus.com or toll free at 833-930-3540 or review the webinar for more information.

I agree to all of the statements above. *

Agree

Electronic Signature *