Early Childhood Education and Care (ECEC) Funding Distribution Subcommittee
(Subcommittee of the Funding Design Workgroup)
Meeting 1
June 24th, 2025, 11 am -12:30 pm
Public attendee link:
https://illinois.webex.com/weblink/register/r7e799638856c3cac56a0990a2a6477b5

In attendance

Subcommittee members: Barbara Corby, Trish Rooney, Kimberly Bianchini, Shauna Ejeh, Nykisha Barefield, Stacey Mixon, Evan Krauss, Rosary Horne, Delreen Schmidt Lenz

State Agency Members and Consultants:

IDEC: Ann Whalen (Early Childhood Transition Director), Maya Portillo (Project Director for Funding Design), Tom Bazan (Chief Fiscal Officer), Christi Chadwick (Project Director for Workforce and Intermediaries), Taseanda Jones (Intern)

Megan Bock (Afton Partners), Marissa Ortiz (Afton Partners), Kayla Rosen (Afton Partners)

German Barrios – Interpreter

Members of the public: 6

Beata Skorusa, Bob Spatz, Britt Gordon-McKeon, Jean Davis, Rowan Atwood

Minutes

Welcome and introductions

Megan Bock (Afton partners) welcomed attendees to the subcommittee meeting. Marissa Ortiz (Afton Partners) gave directions for accessing interpretation. Maya Portillo (Illinois Department of Early Childhood) introduced herself and reviewed meeting expectations and shared opportunities for public comment.

Subcommittee members, IDEC staff and Afton staff introduced themselves, sharing their name, location and current role along with what job they would be doing if they weren't working in early childhood.

Maya shared working group norms and the goals and agenda for today's meeting.

Marissa reviewed the goals of funding design as well as emerging funding design principles based on conversations with communities, working groups and state leadership.

Review role and goals of the subcommittee

Marissa reviewed the relationship between the workgroup and subcommittee and shared the role of the workgroup, which is to engage in deeper discussion, research, and bring considerations and draft recommendations on funding distribution to the workgroup. The subcommittee will be grappling with how the state should distribute funds to providers in a way that best supports funding design goals. Marissa shared the timeline of this subcommittee, noting that we will meeting monthly through September, ending with recommendations for funding distribution to be brought back to the Funding Design Work Group.

Subcommittee member, Rosary Horne, asked if she should gather feedback and input from other providers and community members to bring to this group. Maya responded that venues such as the funding design workgroup, TAC, and other listening sessions offer spaces for public input and can bring together feedback from community members.

Discussion on distribution mechanisms

Megan introduced key funding design concepts, including funding distribution and allocation, and defined each term. She noted that these are connected to, but different from funding amounts. She also introduced four types of funding distribution mechanisms: competitive grants, non-competitive grants, vouchers and payee agreements.

Subcommittee members were asked to share examples that come to mind for the various grants. Their suggestions were documented in a shared document (see appendix). Some members discussed the difference between funding streams that pay in advance versus those that pay after the service is provided.

Megan then asked the group to consider the benefits and limitations of each of the four distribution mechanisms. Both subcommittee and public members contributed their thoughts to the shared document (see appendix).

Shauna asked how the funding distribution and alignment will work together, noting that program alignment will have implications for funding distribution and the interconnectedness of various funding and programmatic components. Megan responded that this subcommittee will be looking to make recommendations that address different potential scenarios. Maya discussed the importance of having conversations on alignment and distribution in tandem and will be covered at the Funding Design meeting.

Nykisha asked if program components such as hours per day will be accounted for in this work. Megan responded that there are multiple distinct parts of funding design, including how much money is going to whom and how the money is going to get there, with this subcommittee focusing on the second question.

Shauna raised the importance of discussing program standards and quality. Nykisha raised the importance of making sure that different workgroups and subcommittees are working together so a not to get into silos.

Subcommittee members were asked about the best uses for each funding stream, responses were documented in the PowerPoint.

Megan reminded subcommittee members that key takeaways from this meeting will be shared at the funding design workgroup meeting and subcommittee members are welcome to attend.

Key takeaways from this conversation included:

- Different distribution mechanisms have different strengths and challenges. It is important to match the mechanism with the purpose of the funding.
- Key considerations include:
  - Administrative burden
  - Up-front funding vs. Reimbursement-based
- Emerging ideas:
  - Non-competitive grants could work well for "base" funding and competitive grants could work well for "add-on"
  - Programs that have proven consistency over time could have longer timelines for grant renewal or simpler application processes

Public comment, next steps, and adjourn

Megan thanked attendees for joining and closed the meeting. There was no public comment.

Appendix

Subcommittee Members: Funding Distribution Mechanisms - Benefits and Limitations

Examples	Benefits	Limitations / Drawbacks
Competitive Grants		
> Early Childhood Block Grant (ECBG) - including Preschool for All, Preschool for All Expansion, and Prevention Initiative > EI Part C (for Child & Family Connections programs)	> Theoretically, the benefits include that funding is awarded to the entities that provide data to show a high level of performance (however, this has not always been how grants have been awarded). > Gives opportunity for parents to receive services where they	> People making decisions may lack local insights into how funds could be most effectively used +2 > Could perpetuate a start and stop dynamic, and inconsistency in program operations > It becomes inequitable for programs with limited resources to compete with those that have. For example grant writers. The process is very complicated and requires support to gather data and information to substantiate need. +2

> State-Funded (GRF) Home Visiting	are through many service providers allowing for a more stable environment for the child with providers offering wrap around care.	> As a response to the above dot point, my experience is that being a grant writer is not the complicated part. What has been the most complicated, in my experience, has been deciphering the very unorganized Notice of Funding Opportunity verbiage that is required to submit a grant. > Grant applications have required repetitive information and consume a great deal of administrative time. > Grants across systems are not linked or aligned. For example, agencies applying for more than one competitive grant are required to start each lengthy application from the beginning rather than utilizing commonly required information across applications. >Requires a level of complexity to manage the grant application process-need a grant writer or dedicated person to manage it who understands how to read and communicate data justifying the need. > The administrative reporting burden is also complex working within the state data system.+1 Costs of services across the state are not equal.
Non-Competitive Grants		
> Smart Start Workforce Grants (SSWG) > DCFS Intact Families > Child and Adult Care Food Program (CACFP)	> Increase pay for staff and promote stability. > It allows all programs who meet the parameters for the grant to participate.	> SSWG-Cannot be certain that these dollars are targeted to children/ECEC staff that are in disinvested communities. • The DCFS and CACFP are reimbursement so require upfront expenses/investment. • Does not allow for differentiation in education, a bachelors is the same as a credential. Its just black and white guidelines that you apply for the money or you don't.

> The IL Respite Voucher Program	> Less burdensome application process for all providers. > Could support consistency and serve as a mechanism to support program growth	
Vouchers		
> Child Care Assistance Program (CCAP) (including quality funding) > Temporary Assistance for Needy Families (TANF)	> TANF benefit for families; the cash assistance and employment assistance. > Easy to apply for families > Stable program with easy to use guidelines	> Parents with respite vouchers are already experiencing multiple stressors and needs, so finding their own respite provider has become a challenging task (even though parents seem very grateful to have a respite voucher). > CCAP is reimbursement payments so requires upfront investment in services-also need to remove child attendance requirement +1 • Constant change in payment amount based on days served and also parent approval changes. • - inconsistency of parents changing jobs constantly creating instability for the provider payments which could lead to instability for a stable childcare environment for the child. • CCAP Approval is based on one worker’s opinion of information given and can vary from caseworker to caseworker or agency to agency. • Application process being reliant on parents maintaining and filling out information can be inequitable for some families that may struggle to fill out paperwork properly or have no address or phone number to complete the paperwork with. > Processes can be burdensome for families

		• On site administrative duties can be burdensome and require a lot of paperwork to create, maintain, and then audit.
Payee Agreement		
> Early Intervention Part C direct service providers and Early Intervention (Child & Family Connections) programs. > Foster programs > Military child care funding	> Easy to apply for and access > Stable, no issues in funding stream	> Need to provide initial investment or service and then get reimbursed +2 > Creates an agency to apply to with hopes to and hopes of follow through by whoever you submit paperwork to

Public Participants: Funding Distribution Mechanisms - Benefits and Limitations (Spanish translation in parentheses)

Examples (ejemplos)	**Benefits** (beneficios)	**Limitations / Drawbacks** (limitaciones/ desventajas)
Competitive Grants (subvenciones competitivas)		
> Early Childhood Block Grant (ECBG) (Subvención Global para la Primera Infancia en Illinois)	> Ability to prioritize/incentivize certain criteria without making them an absolute requirement > In theory the "better" programs are funded. > Can be designed to allow for the possibility	> Larger organizations have the staff expertise necessary and this tends to result in smaller, newer organizations being "less competitive" and not getting funding > Can only fund those that apply; +1 > Hard to budget with uncertainty, and, more important, provide continuity in services that are critical to quality.

	of some local governments receiving their area's funding and making sub-grants to providers (potentially adding in additional local funding)	> If the application process is too complicated and/or there is not enough TA/support to complete applications, less-resourced applicants will be at a disadvantage > Can be costly to pay enough to ensure applications/slots when care of a certain type/in a certain place is only needed for a small number of children
Non-Competitive Grants (subvenciones no competitivas)		
> Smart Start Workforce Grants (SSWG) (Subvenciones Smart Start Workforce)	> May be easier for smaller, less resourced organizations. > More stability and predictability over time > Less administrative burden. > Good fit for a structure where some local governments may choose to receive their area's funding and make sub-grants to providers (potentially adding in additional local funding)	> When there is inadequate money (which is a given for many/most EC programs), either the qualifications get more and more restrictive (excluding "deserving recipients", or the funds are pro-rated (e.g. K-12 Categoricals) +1 > If the application process is too complicated and/or there is not enough TA/support to complete applications, less-resourced applicants will be at a disadvantage
Vouchers (vales)		
> Child Care Assisstance Program (CCAP) (Programa de Asistencia para el Cuidado de Niños)	> Providers (such as informal providers) who would likely struggle to participate in more complicated systems can access them +1 > If families have a need (non-standard hours care, etc) and there aren't spaces for them in their area among providers who applied	> If a family needs just one service, this can work efficiently, but if a family needs multiple services it can be very hard to find providers that would accept multiple vouchers > Hard to use them to fund quality services and workforce compensation because many providers only get very small amounts of voucher funding > Providers don't need to accept them and can results in services being segregated (by accepting vouchers or not, not by race)

	for grants, vouchers can allow them to find a provider in the broader market who can meet their needs	> Amount of funding is very unpredictable/unstable
Payee Agreement (acuerdo de beneficiario)		
> Early Intervention (intervención temprana)	> Incentivizes service provision if rates/payments are adequate.	> Organization has to have staff and cash flow to cover expense before payment is received; +1 > Somewhat relies on "market forces". However, if reimbursement rate is too low, there can be provider "deserts" and/or long wait lists. > Payment can be very delayed, which is extremely challenging for EI direct service providers and also EI Child & Family Connections program.