

City of Seattle Child Care Staff Retention Payment FAQ for Child Care Providers

1.) What is the purpose of this grant?

The purpose of this grant is to offer financial support and recognition for early learning educators and child care staff who have been working in child care programs located in the City of Seattle.

The City of Seattle has allocated up to \$5.3 million from the City's Payroll Expense Tax for payments to eligible staff at DCYF licensed family child care programs (FCCs) and center based programs. Payments through this grant will only be awarded to programs located within Seattle city limits.

Seattle's Department of Education and Early Learning (DEEL) and BrightSpark Early Learning Services are partnering to award and dispense these funds.

2.) Who is eligible to apply for the Seattle Child Care Staff Retention Payment?

Application for these funds must be submitted by the employer. In the case of family child care providers, this is the licensee. Businesses receiving these funds will be responsible for passing it on to their employees.

Description of eligible staff:

All child care staff who work on-site at a DCYF licensed child care center or family child care program located within the boundaries of the city of Seattle, regardless of full-time or part-time employment status are eligible for this retention payment, when all of the criteria below are also met.

Additional Criteria...

- The staff person has been an employee at the program since at least March 1, 2023 and at the time the application is submitted continues to be employed by the eligible child care program.
- The person is still an employee of the submitting, eligible child care program at the time when the program receives their Seattle Child Care Staff Retention Payment, and when the program issues this payment to their eligible staff.
- The staff person must work on-site, provide direct care for children, and serve or work with children for most of their shift. In addition to classroom teachers, assistant teachers, and teaching staff who cover multiple classroom, staff members in roles such as food preparation for the child care program, transportation of children enrolled in the child care program, or administrative staff who support the program may be considered for eligibility as long as their work is on-site, they are an employee of the child care program, and they meet the other eligibility requirements. These roles all "serve" the program and enable its operation.

- As long as the employee works in a child care facility located within the boundaries of the city of Seattle, they themselves do not need to be a Seattle resident.
- Programs outside of Seattle, including unincorporated King County are not eligible for this funding opportunity. School-age only, license exempt providers operating within Seattle city limits are not eligible. Family, friend, and neighbor (FFN) caregivers are not eligible.

3.) I'm a family child care provider who works directly with children at my DCYF licensed facility. Can I apply for this recognition pay for myself?

Yes. You do not need to have hired employees. If you are an FCC provider who works directly with children or "serves" children as defined in question #2 above and whose DCYF licensed business is located within the boundaries of the City of Seattle, you may count yourself as an eligible worker. Please note, your family child care program must have had an open DCYF license since March 1, 2023 in order to meet the "hired by" criteria outlined in #2 above.

4.) As a licensed family child care or center based provider, do I have to be open and serving children to quality for this grant?

You must currently be open and accepting children. Your program must have enrolled and served at least one child in 2023.

5.) What are the retention payment (i.e., grant) amounts?

Each child care worker determined to be eligible will receive the same amount. Programs are not permitted to pay more to some eligible staff over others. This includes no allowable difference for full-time staff over part-time, or by role within the program. The total amount awarded per person, will depend on the total number of eligible employees identified by applicants.

6.) Is this funding competitive? (Is there preference if my application is submitted first?)

No. The awarding of the retention payment is not competitive. All applicants who meet the eligibility criteria and submit by the close of the application period will be considered equally.

7.) Am I required to serve families accessing the Working Connections Child Care state subsidy or be enrolled in the Child Care Assistance Program (CCAP) to be eligible?

No. Any DCYF licensed child care provider within the Seattle city limits can apply, whether or not they receive Working Connections (WCCC) or Child Care Assistance Program (CCAP) subsidies.

8.) Must I be enrolled in Early Achievers in order to be eligible?

No. This is not a requirement, nor will preference be given to those enrolled in Early Achievers.

9.) What can these funds be used for?

Funds must be paid directly to eligible employees. The purpose of the Seattle Child Care Staff Retention Grant is to provide financial support for child care staff. This grant is not designed to provide funds for the child care program. Providers are required to keep records regarding the use of the funds, and to provide the records to the City if requested.

This grant carries no restrictions regarding how eligible awarded employees can use the funds passed on to them. Employees receiving these funds are not required to keep records of how they spend their awarded Seattle Child Care Staff Retention Payment.

To receive funds, providers must, on the application, agree to use the funds in accordance with the FAQ and any additional stipulations in the application.

10.) Do I need to submit receipts or records associated with this grant?

Programs are required to save evidence of distribution of these funds to eligible staff. These records may be requested by the City of Seattle. Unless specifically asked to do so by the City of Seattle, there is no requirement to submit evidence of payment to staff.

11.) What about taxes and costs associated with receiving these funds?

Grant funds are considered income. For purposes of taxes, grants (including this retention payment) should be treated similarly to other income received by your business.

Providers can hold back up to 15% of the funds allotted to cover business expenses associated with passing on these funds to their employees, for any related taxes and/or administrative fees. The remaining balance must be passed on directly to your employees via your program's usual payroll system. Payment should not be made in gift cards or other substitution for a direct payroll pass-through. Please know that any payroll withholdings may further reduce final compensation amounts to individual employees.

For example, let's say that your agency claimed 20 people on the application, and you received \$5,000. Your agency is allowed to hold back up to 15% (in this example, that would be \$750) to cover any taxes or administrative costs of passing this on to your employees' paychecks. This means that the program in this example would be obligated to pass on at least \$4,250 to your 20 employees, each receiving an equal amount before their own taxes and withholdings are applied.

Please seek advice from a professional tax consultant regarding your specific business implications.

12.) Will the grants be given in full?

Yes. The full grant amount will be awarded up front, after the application is approved. Providers will be paid by electronic bank transfer (EBT) or check. Providers not previously issued electronic payment from BrightSpark Early Learning Services, formerly Child Care Resources, will be given the option to authorize payment by this method. Payments to providers are estimated to be issued beginning late August and running through the end of October.

13.) When do I have to pass these funds on to my staff?

Payment of the retention payment, via your program's regular payroll system, should be complete within the next two regular payroll periods following the receipt of funds by the provider.

14.) What if I am an agency that has multiple licensed child care sites in Seattle, do I need to submit separate applications for each site?

Yes. Programs will list their business name and DCYF issued provider ID# as part of the application. Each application must have a unique DCYF issued provider ID#.

15.)What documentation will I need to submit?

After notification of award, you will need to submit a completed and signed W-9 and a copy of your program’s DCYF child care license. BrightSpark will notify applicants if these documents are already on file, or if they must be sent specifically for this grant.

A binding agreement will be included in the grant application. Applicants must select “yes, I agree” or whatever affirmative language appears on the application form.

16.)What do I need to do if I want my Seattle Child Care Staff Retention Payment sent to my bank electronically?

It is not a requirement, nor is there any preference given to programs who choose to receive payment electronically.

Programs who wish to receive payment electronically and do not have a current electronic payment agreement and documentation in place with BrightSpark will be required to submit a completed authorization for direct deposit form and either a voided blank check or a letter from your bank with your account and routing number. These documents, must be received in full, no later than August 23, 2023 in order to have payment transmitted electronically. Paper checks will be mailed to awardees who do not have an authorization for direct deposit and banking documentation on file at BrightSpark.

17.)How do I apply?

The application is scheduled to be available mid-June, 2023. A link to the application will be posted by the City of Seattle and will be published via email sent by BrightSpark. Providers may also request the application in a pdf format and can send to this email address:

DEELfunding@seattle.gov. The application will be available in the following languages: Amharic, Arabic, English, Simplified Chinese, Oromo, Somali, Spanish, and Vietnamese.

18.)Is there a deadline to apply for this grant?

Yes. The deadline to apply is Tuesday, July 5, 2023 by 11:59pm Pacific Daylight Time.

19.)What if I need help to fill out the application?

If you are enrolled in Early Achievers, you may contact your coach for assistance. If you are not enrolled in Early Achievers or do not know who your coach is, please contact BrightSpark’s Provider Line at 1-800-446-1114, select option 2. Questions may also be directed to BrightSpark staff at grants@childcare.org.

20.)How and when will I receive notice if I’ve been awarded funds from the Seattle Child Care Staff Retention Payment?

All providers who submitted an application will be notified of their award status via email. Award announcements will be sent out in the first portion of August. The payment amount and number of eligible staff will be listed on the award notice.

Payments to providers are estimated to be issued from late August through the end of October.

21.)What if an employee leaves my program after the application was submitted?

If staff who were counted as eligible on the application are no longer employed at your child care site, and this represents 25% or less of the number of staff you identified as eligible, the program must disperse, equally, the full Seattle Child Care Staff Retention Payment award amount amongst the eligible employees currently employed. Please note, in order to be eligible, a staff member must meet all of the eligibility requirements in question #2 above, including having been employed by the site since at least March 1, 2023.

If more than 25% of the staff members reported as eligible on the application, no longer work at your program, your award amount will need to be recalculated and you must contact DEELfunding@seattle.gov.