



## Resources for Early Acceleration and Development in Youth (READY) Infrastructure and Capacity Grant Opportunity

**2022-2023 application deadlines:**

**September 27, 2022 (Round 1), January 20, 2023 (Round 2) by 5:00PM**

**Access and submit Round 1 application at:**

<https://www.cognitofrms.com/SCFIRSTSTEPS4K/READYGrantsForInfrastructureAndCapacityBuildingRound1FY23>

Resources for **E**arly **A**cceleration and **D**evelopment in **Y**outh (READY) was created in Proviso 1.105 of the 2022-23 State Budget Bill with \$3 million in General Funds, recurring annually, which must be awarded by the South Carolina First Steps to School Readiness Board of Trustees to First Steps local partnerships through a competitive and targeted grants process.

**Funding priorities** include evidence-based programs for children birth through age 3 who live in rural communities and in communities where kindergarten readiness scores are consistently below the state average. No more than 10% may be distributed to any one county and no more than 3% retained by the state office for administering, monitoring and evaluating the program.

In June 2022, SC First Steps issued a survey seeking input from local First Steps partnerships on READY funding priorities, to which 41 of 46 partnerships responded. Top priorities from survey respondents were to maintain the expanded services made possible through previous short-term funding (Preschool Development Grant, ESSER) and increase capacity related to staff compensation, benefits, and other infrastructure needs.

### **Infrastructure and Capacity Grants:**

In FY2022-23, South Carolina First Steps intends to award **up to \$725,000** in READY targeted grants to local First Steps partnerships, renewable for two additional years, to increase the local partnership's capacity and infrastructure to serve more children and families in their community. Awards will be made in two rounds in FY2022-23:

- **Round 1** applications will be due September 27, 2022 by 5:00pm for funding consideration by the SC First Steps Board of Trustees at its October 2022 meeting. Up to two-thirds of funding reserved for infrastructure and capacity grants (\$485,750) may be awarded during Round 1, with the remainder reserved for Round 2 awards.
- **Round 2** applications will be due January 20, 2023 by 5:00pm for funding consideration at the state board's February 2023 meeting.

Because these grants will be multi-year awards, SC First Steps does not anticipate offering another READY Infrastructure and Capacity Grant in FY2023-24 unless additional funding becomes available. There will be multiple READY grant opportunities released in FY2022-23 and future years for addressing upcoming PDG and ESSER funding cliffs and for additional program expansion.

## **Eligibility:**

All local First Steps partnerships that have no outstanding Corrective Actions as of the date of award approval by the SC First Steps Board of Trustees are eligible to apply for funding. This includes all unresolved Corrective Actions that were issued at the board's August 2022 meeting, and any pending Corrective Actions for fiscal non-compliance that may be issued at the board's October 2022 meeting. Local partnerships with Corrective Actions will have the opportunity to demonstrate sufficient progress during the first half of FY2022-23 in order to be removed from Corrective Action and thereby become eligible to apply for Round 2 funding. Local partnerships not on Corrective Action may apply in Round 1, Round 2, or both but only may only receive one funding award. Partnerships awarded in Round 1 will not be eligible to apply in Round 2 for this opportunity.

**No organizations outside of local First Steps partnerships are eligible for funding.**

## **Funding Amount and Duration:**

Both Round 1 and Round 2 awards will be capped at \$30,000 per 12-month period for up to three years. Funding will be available starting the 1<sup>st</sup> of the month after funding approval, either November 1, 2022 (Round 1) or March 1, 2023 (Round 2).

Funding will be prorated by fiscal year, in order to align with partnership budgets. Round 1 grantees will receive 8 months of funding in FY23 (Nov 2022 – Jun 2023), 12 months in FY24, 12 months in FY25, and 4 months in FY26 (Jul 2025 – Oct 2025). Round 2 grantees will receive 4 months of funding in FY23 (Mar 2023 – Jun 2023), 12 months in FY24, 12 months in FY 25, and 8 months in FY26 (Jul 2025 – Feb 2026).

Continued funding for each 12-month period assumes that a) the local partnership achieves satisfactory progress addressing its capacity needs; b) the local partnership is in overall compliance with its annual grant agreement with SC First Steps, with any future Corrective Actions addressed successfully and expediently; and c) SC First Steps' continued receipt of READY funding from the General Assembly. There is no minimum funding amount.

## **Allowable Uses of Infrastructure and Capacity Funding:**

This targeted funding may be used for one-time and/or ongoing costs related to recruiting and retaining a qualified workforce and/or providing the physical space and infrastructure to implement effective programs. READY funding should supplement, not supplant, existing state formula or other funding.

Allowable uses of funding include, but are not limited to:

- Increased work hours and/or compensation rates for staff, competitive with similar positions locally (see *Executive Director compensation, below*)\*
- Employee benefits
- Physical office space, equipment, technology needs
- Removing barriers to client participation: providing additional program locations in underserved areas, transportation, etc.

\*Increased Executive Director compensation is allowable, up to 10% above the average ED compensation of partnerships of similar budget size and within the same region. Each local partnership will receive an updated, individualized compensation analysis from the SC First Steps Office of Finance in early September 2022 for this purpose. Funding requests above the 10% limit will not be considered. All applications that include an increase in ED compensation must be approved by the local partnership board prior to submission.

Local partnerships may apply to address multiple capacity needs within a single application, as long as the total amount requested per 12-month period does not exceed \$30,000. Local partnerships may receive only one READY Infrastructure and Capacity Grant in FY2022-23.

## **READY Infrastructure and Capacity Grants are subject to the following conditions:**

- Grant funds will be coded separately in the partnership's Budget Spending Plan, using Fund Code(s) provided by SC First Steps.
- State law requires several restrictions for state funding to local First Steps partnerships. READY funding is state funding, and therefore carries the same legislative conditions as state formula funding. READY grant funding **will** be included along with state formula funding in percentage calculations used to assess compliance with restrictions for expenditures within Evidence-Based/Evidence-Informed programs, Core Functions, and Administrative Expenses, as well as in the calculation of the minimum match amount the partnership must raise from non-state cash and in-kind sources.
- Carryforward of READY Infrastructure and Capacity Grant funds will be treated in the same manner as state formula funding. Unexpended READY grant funds carrying forward to the following fiscal year in excess of 15% will require written justification as to how the funds will be fully spent in the subsequent fiscal year, otherwise funding will be proportionately reduced for the next 12-month award.
- Funding requests for new construction or renovation costs may be considered on an individual basis for state board approval according to First Steps legislative requirements, but such requests must be discussed with Derek Cromwell, Chief Partnership Officer, Betty Gardiner, Director of Grantmaking and Development and Mark Barnes, Director of Administration prior to submitting an application.

## **How to Apply:**

The READY Infrastructure and Capacity Grant application is available for submission online via Cognito.

Round 1 application link:

<https://www.cognitofrms.com/SCFIRSTSTEPS4K/READYGrantsForInfrastructureAndCapacityBuildingRound1FY23>

Applicants will be able to save their applications in-progress and come back to them later, as well as print out their submitted application.

There will be an informational webinar on Tuesday, September 13 at 10am regarding this READY grant opportunity as well as instructions on using Cognito.

Zoom link: <https://us06web.zoom.us/j/81152733902?pwd=MnNhTHpXTzNISEhsQklUMXhLWCszQT09>

All documents related to this application, as well as the recording of the informational webinar, will be available on the Grants page of the SC First Steps web site: <https://www.scfirststeps.org/what-we-do/grants/>.

The application is divided into the following capacity needs: staff salaries, provision of benefits, physical space, technology, transportation, and other. For each area that they are seeking funding for, applicants enter the amount needed by grant year and answer the following questions:

1. Describe the need for support and include an adequate justification of how your funding request was estimated.
2. Describe how having this support will positively impact your partnership's ability to serve young children, their families, and/or child care providers, to meet your comprehensive plan goals, and/or to target priority communities.
3. SC First Steps will review the partnership's available public and private fund balances, including but not limited to state carryforward funds. If your partnership carries a sizeable balance of public or private funding, explain how these fund balances will be used to help meet the capacity or infrastructure need(s) described above, and/or how these fund balances are dedicated to another use.

Within each area, there is the opportunity to attach supporting documentation.

It is the intent of SC First Steps that this funding benefit as many local partnerships as possible. Given the amount of funding available and the maximum award amount, it is estimated that 25-30 local partnerships will receive awards. Additionally, SC First Steps is offering two application rounds in FY2022-23 so that local partnerships currently on Corrective Action have an opportunity to resolve their compliance issues in time to apply.

However, there may not be sufficient funding to award grants to all local partnerships that apply. To maximize your partnership's chances of success, do the following.

- Apply in Round 1, if your partnership is not on Corrective Action. Applicants not funded in Round 1 may re-apply in Round 2, as long as they remain eligible.
- Provide detailed responses to application questions. Although the application itself is brief, be specific and thorough in your responses to the questions asked. Back up your request with specific examples of how these funds will address a capacity issue, that once resolved will enable the partnership to improve existing services and/or take advantage of future opportunities to expand services with additional public or private funds.
- Documentation is optional, but highly recommended. Documentation is especially important if you are looking to increase staff compensation or receive additional funding for physical space needs. Documentation examples include salary schedules of organizations with a similar workforce, average market rates for renting office space in your area, etc. Attachment files cannot exceed 250MB.
- Target your capacity request to addressing READY legislative priorities, including serving children up to age 3, rural areas, and communities with consistently below average KRA scores. If the partnership does not meet rural and KRA priorities county-wide, consider infrastructure resources targeting eligible communities within the county. Community-level data to address READY legislative priorities will be available on <https://www.scfirststeps.org/what-we-do/grants/>.
- Submit all information requested, by the deadline. Late applications will not be considered.

### **Review and Selection:**

Applications that are complete and submitted online through Cognito by the deadline will undergo a staff review process before consideration by the Program and Grants Committee of the state board. The committee will then make funding recommendations to the full board for approval. The selection process will take the following factors into consideration:

- Responsiveness to application questions and connection to legislative priorities, in particular how capacity funding will enable the partnership to improve or expand services in a meaningful way
- Justification for the amount of funding requested
- Past performance of the Partnership, including compliance with program and operational guidelines
- Need for additional financial resources, including but not limited to the partnership's formula funding amount and number and size of programs offered

Staff recommendations will be reviewed by senior staff, then provided to the Program and Grants Committee of the state board for review before going to the full board for approval.

### **Local Board Approval:**

Given the tight turnaround for Round 1 applications, SC First Steps will consider applications without advance board approval as long as: a) the local board meets and approves the application prior to funds being awarded; and b) the application does not include an increase in executive director compensation, as that decision is under the exclusive purview of the partnership board. Applications that include an ED compensation increase must be approved by the partnership board prior to submission.

At minimum, SC First Steps recommends that EDs make their board members aware of their proposed application(s) and discuss with their board chair, executive committee, and/or other appropriate committee prior to submission.