Growing Child Care Capacity in Tennessee

New Employer Workforce (NEW)
Care Partnership Grants
Application Guide

TN Department of
Human Services

Updated July 1, 2025

Growing Child Capacity in Tennessee
New Employer Workforce (NEW) Care Partnership Grants (previously the Non-Profit/Employer Workforce Care Partnership Grants)

The Tennessee Department of Human Services (TDHS) is seeking to invest state dollars provided through the Child Care Improvement Pilot Program to grow child care capacity and access in Tennessee. The pilot program will support partnerships between non-profit or for-profit organizations ("child care organizations") and private employers to design and implement strategies that create child care access and capacity to serve the employer's workforce. The following guide provides additional detail and instructions for child care organizations interested in receiving funds to support innovative strategies to partner with private employers.

Previously available to non-profit agencies only, all types of licensed child care providers are eligible to submit a proposal to expand licensed capacity through partnership with an employer beginning July 1, 2025.

About TDHS Child Care Services

Child Care Services plans, implements, and coordinates activities and programs that promote quality care, ensure the health and safety of children in licensed spaces and facilitate child care financial support for families utilizing child care. It includes Child and Adult Care Licensing and Child Care Certificate Program Units. The Division also collaborates with Child Care Resource and Referral Centers and other community partners to strengthen child care environments in Tennessee.

Child and Adult Care Licensing
Child and Adult Care Licensing is the regulatory body that licenses and monitors child and adult care facilities across Tennessee with the goal of ensuring the safety and health of young children and vulnerable adults in care. To build thriving, high quality licensed programs, the Department launched the Pre-Licensure Unit in August 2021 that streamlines processes and provides intentional supports for the creation of new licensed spaces. This unit works to build partnerships with community and business leaders to assess child care needs, explore solutions and recruit prospective providers to increase the number of child care slots in rural and underserved areas. The TDHS licensing team is focused on engaging Tennessee employers to invest in their workforce through innovative child care strategies.

The Department has been transitioning to the new Quality Rating and Improvement System (QRIS). Under this new structure, the Licensing Consultant monitors compliance and evaluates quality. This aligns with department goals of improving quality and strengthening business efficiencies and supports a better customer experience. We believe that a relationship focused approach fosters overall improvement and helps our partners, families, and children in Tennessee to thrive.

Child Care Certificate Program
The Child Care Certificate Program (Child Care Payment Assistance, including Smart Steps) provides child care payment support to families who are working, in post-secondary education programs, those participating in the Families First program and others. Child care payment assistance not only allows parents and guardians a sense of security while they work or pursue educational goals, it also promotes children's learning and development in quality child care environments.

Promoting High Quality, Safe, Developmentally Rich Early Child Care Environments
To support high quality and increased access to child care programs, the Department supports several initiatives through contracted partners that are available to all TDHS Licensed Child Care Agencies. To support continuous improvement of early childhood environments, Child Care Services engages a range of "quality partners." Child Care Resource and Referral Centers are free child care location and counseling services located in communities across the state. Parents can receive information regarding the components of quality care and what to look for when choosing quality care. Other partners include the Community Foundation of Middle Tennessee, the Association of Infant Mental Health in Tennessee, the University of Tennessee, and Tennessee State University.

Driving Success – Grant Program Parameters and Outcomes
The Department seeks to pilot partnerships between child care organizations and private employers to design and implement strategies that expand child care access and capacity to serve the partnering employer's workforce. The goal is to add slots or spaces of child care capacity through expansion of existing child care agencies or creation of new child care agencies. By engaging Tennessee employers to invest in their workforce through innovative child care strategies, we aim to increase the availability of affordable child care that is safe, healthy, and developmentally rich.

The **Parameters** required for child care organizations/employer partnerships to be considered for funding are:

1. The application must include a description of how the funds will be used to create a new child care agency or to make improvements to an existing agency; and

2. The application must include information about how the applicant is partnering with an employer(s) to make additional child care slots/spaces available (not at the expense of existing or currently available slots in the local area) to meet the needs of the employer's workforce, as evidenced by a letter of commitment from the employer(s);

Organizations selected for the NEW Care Partnership Grant must identify specific measurable, achievable, relevant, and timely outcomes (with metrics) to be used to support the identified goal(s).

The primary **Outcomes** to be achieved are:

Access: Increase licensed capacity particularly in child care deserts and for historically underserved populations
- Increase the overall number of licensed slots of child care availability
- Develop child care resources that are responsive to the needs of the employer's workforce, such as child care hours of availability that align with shift schedules
- Include listed strategies for serving historically underserved populations such as infants and toddlers, children in rural areas or low-income neighborhoods, dual language learners, children with disabilities, and children who need care during non-traditional hours
- Create a sustainable and formalized support network by engaging partners such as local governments, parents, philanthropic foundations, and businesses

Affordability: Improve financial sustainability of child care providers by leveraging private partnerships
- Contract to participate in the [Child Care Payment Assistance/Certificate Program](), a state program that provides financial assistance to parents and caregivers in covering child care costs
- Have a detailed and formal engagement with a private employer that identifies resources the employer will provide in order to grow child care access for their workforce
- Identify how ongoing support from the private employer will strengthen the financial stability of the child care provider

Quality: Promote care that is safe, healthy, and developmentally rich
- Achieve Quality Rating Improvement System (QRIS) scores of 80 or above
- Demonstrate care that is inclusive and appropriate to children with special needs and of diverse circumstances of race and economic status
- Demonstrate engagement of the employer's workforce to encourage program design that meets family needs and preferences

NEW Care Partnership Grant – *Applicant Criteria*

The Department is looking to engage child care organizations in Tennessee who are presenting strategies and innovative models of partnership with private employers in order to expand child care availability for the employer's workforce. The Department requires these partnership models to be delivered in a manner that meets the specific needs of employee families and improves the financial sustainability of the child care provider, specifically with consideration of the following:

1. The application must be accompanied by a demonstration of support by a private employer;
2. The application must include a description of how the funds will be used to create a new child care agency or to make improvements to an existing child care agency; and
3. The application must include information about how the applicant is partnering with an employer(s) to make additional child care slots available (not at the expense of existing or currently available slots in the local area) to meet the needs of the employer's workforce, as evidenced by a letter of commitment from the employer(s);

Examples of partnership strategies that would increase access for the employer's workforce would include:

- **New Construction/Renovation** - the employer commits matching funds that go toward new construction or renovation of existing space in order to create new child care capacity in exchange for a specified number of slots being made available for the employer's workforce
- **Access to Existing Facilities** – the employer makes available at no cost access to existing facility space that can be renovated or modified to create new licensed child care capacity in exchange for a specified number of slots being made available for the employer's workforce
- **Support for Operating Expenses** – the employer commits a set dollar amount each month to go towards general operating expenses or commits to cover specific administrative costs such as rent, utilities, or salaries in exchange for a specified number of slots being made available for the employer's workforce
- **Paying for Slots** – the employer commits to paying costs associated with a designated number of new slots with the expectation that those slots will be available to the employer's workforce. In months when those slots are filled, tuition is paid by the parents. In months when the slots are not filled, tuition is paid by the employer to ensure that access remains available for their workforce.

The above list provides possible examples of partnership strategies, but applicants are encouraged to submit other innovative partnership strategies that are appropriate to their

community and situation. In each situation, state funds would be available to match the level of monetary support invested by the employer for the length of the grant term.

All eligible entities who wish to apply must not be currently debarred, suspended, or otherwise ineligible to conduct business in the State of Tennessee. An applicant's involvement with other TDHS-funded pilot programs to increase child care availability will be considered during the review process. Grant Contracts with the Department may be proposed for services lasting from one to two years. The awarding of Grant Contracts will be based upon the type of service needed, available resources and funding, and applicable legal and regulatory requirements.

NEW Care Partnership Grant *– Application Guidelines -* *What Must be Included in the Application?*

I. Organizational Background

Discuss how the organization was initiated/founded. Describe the organization's history of delivering child care services and the work that the organization is currently doing in the area of child care, the population and number of children/families currently served, and outputs and outcomes that demonstrate a true impact as a result of the program or services. Provide information about the organization's management structure, including ownership and handling of administrative tasks. *Limit to 250 words or less.*

II. Child Care Organization / Employer Partnership Overview

Provide a brief but clear overview of the partnership between the child care organization and the private employer(s). Explain the child care organization's current structure of delivering child care services. Give an overview of the employer's history, workforce demographics, and engagement in the community. Identify specific employer workforce child care needs to be addressed, with a specific focus on access, affordability and quality.

III. Target Population

Describe the workforce population to be served, including geographic area, economic status, historically underserved populations, or other defining characteristics. Explain how parent involvement was obtained in identifying needs and issues to be addressed as part of designing child care availability.

Provide the total number of unduplicated families/children you anticipate serving each year from the employer's workforce. Breakdown the group by adults, children/youth, and/or other defining characteristics.

IV. Statement of Work (SOW) - Proposed Child Care Organization/Employer Partnership Strategies to be Implemented

Child Care Organization/Employer Partnership Overview - Explain in detail the partnership strategies that have been agreed to and will be deployed by the child care organization and private employer.   The plan should include in outlined detail the ongoing partnership with the employer(s) and their commitment of supports and/or financial resources.   This includes outlining a plan for sustainability of the additional child care availability after state grant funds are exhausted.

Overview of Capacity Expansion - Describe specifically the additional licensed capacity that will be gained through this partnership and what steps the child care organization will take to make that additional child care capacity available. Describe the referral and enrollment process for families in the employer's workforce who need child care services. Explain the marketing and outreach plan to recruit the employer's workforce to engage with these child care services.

Child Care Provider Overview - Describe the leadership and staffing structure for the child care organization that will deliver child care services, including wages that will be deployed to support attraction and retention of quality child care staff. Describe the curriculum and other strategies that will be used to ensure that high quality care is delivered. Describe how the additional child care capacity will be structured in order to serve historically underserved populations such as infants and toddlers, children in rural areas or low-income neighborhoods, dual language learners, children with disabilities, or children who need care during non-traditional hours. Include an implementation timeline for when the additional child care capacity will become available.

Employer Partner Overview - Describe the leadership structure of the employer partner(s). Identify which employer leadership team members will be assigned to engage with and support this partnership to benefit the employer's workforce. Include how the partnership will be coordinated and facilitated (i.e. frequency of meetings, delivery of reports, monitoring of outcomes and financials). Describe how the program will engage and continuously incorporate the voices of employer workforce families in the program. Indicate how the program will adapt, or "best practices" be used, to fit the needs and context of the target population. (e.g., differences in resources, cultural values, competence, and language).

V. Performance Measures/Outcomes
Outcomes should include the number of families/children from the employer's workforce who are expected to be served by the expanded capacity. Outcomes should also include the level of support (direct or in-kind) to be contributed by the employer and an explanation of how that support will impact the overall the economic stability and

sustainability of the child care organization. Provide outcomes that are specific, measurable with associated metrics, achievable, relevant, and timely. Include specific information about how these outcomes demonstrate an impact on child care access, affordability, and quality in the affected communities. Describe how the data will be collected (its sources), monitored, measured, and evaluated.

VI. Detailed Proposed Budget Narrative

Provide the grant amount being requested and the associated timeframes for utilization of the grant funds. Describe how the requested funds will be used to accomplish activities outlined in the Statement of Work Section. Include as a supplemental document a budget breakdown for the program on the provided budget form. Include a detailed budget narrative to support the budget form for the program and each subcontracting agency, if applicable. Include private and public funding sources (pending and received). *Note: The total available funds may not necessarily be divided equally among the applicants, nor will selected applicants be guaranteed the entire amount requested.*

VII. Organizational Structure

Provide an organizational chart that outlines key staff for the oversight, support, and delivery of the Statement of Work. Describe the current staffing structure/model and positions needed, if any. The description should include job titles and description of roles and responsibilities of all key positions for both the child care organization and the employer. Indicate any services that will be contracted out such as construction, renovation, fiscal, audit, etc.

NEW Care Partnership Grant – *Application Instructions*

Eligible child care organizations in Tennessee who can expand their child care capacity and meet the purposes of improving child care access, affordability, and quality through collaboration with private employers are encouraged to submit an application. The Department will not be available to assist with the actual writing of applications or critiques of drafts. Questions about the application process may be emailed to GrowingChildCare.DHS@tn.gov

The application must be 8 pages or less and outlined to address all the statements/requirements under each header in accordance with the application guidelines above including: Organizational Background, Child Care Organization/Employer Partnership Overview, Target Population, Statement of Work (SOW), Performance Measures/Outcomes, Detailed Proposed Budget Narrative, and Organizational Structure. The application pages must be numbered and submitted on 8 ½ X 11-inch paper, double spaced, 1" (2.54 cm) margins, all around, and at least 11pt. font size.

Note: The size and/or style of graphics are not restricted, and their use and style are at the applicant's discretion, but they will count towards the application page limit of 8 pages. Letters of support are optional and will count towards the application page limit of 8 pages. In addition to the 8-page application, the following supplemental documents are required (and do *not* count towards the application page limit of 8 pages):

- Letter of commitment from the employer(s) confirming the investments they will make to support creation and sustainability of new child care capacity designed to serve their workforce;
- Conflict of Interest (COI) – Organization's policy (if applicable) and a signed statement on official letterhead attesting that: based upon reasonable inquiry, neither the organization, its employees, affiliate entities/agencies, employees of any affiliate entity/agency, nor any affiliated individual who will perform services under this potential contract, as a result of this application, have a possible or perceived conflict of interest.
- Organizational chart
- Provide a copy of the organization's Tennessee Department of Revenue Registration Certificate. https://tntap.tn.gov/eservices/_/
- Provide a copy of the organization's IRS registration (for-profit) or determination letter (non-profit)
- Certificate of Insurance
- FFATA Verification through sam.gov (Provide a statement of whether the Grant Applicant is actively registered with public profile access in the System for Award Management (SAM.gov- https://sam.gov/content/home). The public profile access shall be required to contract with the State of Tennessee. If registered, provide the SAM.gov Unique Entity Identification Number. (SAM UEI). If not yet registered, please provide a statement confirming that the Applicant will complete registration prior to Contract execution.
- Completed budget form - State form provided.

Application materials must be submitted electronically through the provided web-portal Formstack: https://stateoftennessee.formstack.com/forms/tdhs_new_care_partnerships

Applicants must complete all required sections in Formstack. The budget form should be submitted in Excel and all other documents must be converted to PDF format. All documents should be titled "Agency Name – NEW Care Partnerships", followed by the type of document (Proposal, COI, Org Chart, Budget, Revenue registration, IRS registration or determination, *as applicable*).

All complete applications, including the full set of documents mentioned above, will be accepted on a rolling basis beginning **on February 1, 2024**. Applications will be scored by a

review team and will be considered based upon demonstration of a likelihood for success and the amount of funding requested and the amount of funding available. Applications will continue to be accepted and reviewed as long as funding and regulatory authority remain available.

NEW Care Partnership Grant – *Selection Criteria*

All complete applications submitted by eligible child care organizations will be reviewed. No applicant obtains any right to a NEW Care Partnership Grant based on submission of an application. The total available funds may not necessarily be divided equally among the applicants, nor will selected applicants be guaranteed the entire amount requested.

Application packets will be reviewed in three phases:
- Phase I – Required Mandatory Standards Review
- Phase II – Advisory Panel Review and Applicant Packets
- Phase III – Recommendation

In addition to evaluating application responses, the Department will also consider:
- Qualifications and experience of the organization;
- Familiarity and experience performing the services needed by the Department, and familiarity and experience creating and running programs, including the ability to perform the work in a timely manner;
- Organization's (and partnering agencies) current or former contract status and performance history with the Department or other local governmental agencies; and
- Criteria as outlined in the application guidelines