



PANDEMIC RECOVERY OFFICE

Child Care Retention Bonuses Final Report

Submitted by State of Rhode Island Pandemic Recovery Office

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<https://pandemicrecovery.ri.gov>

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Child Care Retention Bonuses

Project Identification Number: 10001

Pandemic Recovery Office Approval Date: February 4, 2022

Project Completion Date: May 31, 2025

Funded Amount: \$37,400,000

Expended Amount: \$37,396,893

Project Expenditure Category: 2.36 Negative Economic Impacts: Aid to Other Impacted Industries

Problem Statement: According to the U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, the child day care services industry in Rhode Island experienced a 21.6% employment loss from 2019 to 2020.¹ Nationally, the industry had an average employment loss of 9.8% from early 2020 to the fall of 2021.²

A National Association for the Education of Young Children survey found that 78% of respondents identified low wages as the main obstacle to recruiting educators, while 81% cited low wages as a key obstacle to retaining educators. In Rhode Island's Coronavirus Response and Relief Supplemental Appropriations Act Child Care Stabilization Grant program, 95% of grant recipients used at least 20% of their grant for wage bonuses, demonstrating the need to financially recognize staff and promote retention. The retention of these essential workers impacted nearly every single child care provider in the state by ensuring that centers remained open and served families at their licensed capacity. Families could not return to work if there were not enough quality child care options, and child care providers could not operate at capacity because of employee shortages.

Project Overview: To address these challenges, Rhode Island initially paid \$1,500 semiannual retention bonuses (up to \$3,000 per person) during State Fiscal Year 2022 to all child care staff who had been employed with a provider for at least six consecutive months. The State extended the project for State Fiscal Year 2023 and State Fiscal Year 2024, as well as a portion of State Fiscal Year 2025, replacing the \$1,500 semiannual bonuses with \$750 quarterly bonuses. There were 10 windows for which bonuses were paid. In the last window, payments were in the amount of \$392.63 to exhaust the remaining project funds.

The Rhode Island Department of Human Services engaged with a fiscal intermediary, Public Consulting Group (PCG), to set up the application portal for child care educators, distribute the funds, and assist with data collection and analysis. The review of applications and payment of bonuses occurred on an ongoing basis during the application windows.

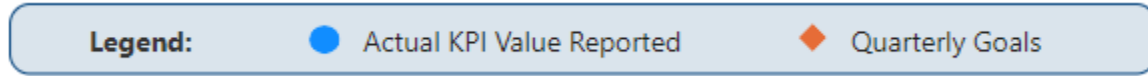
¹ U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (2019 – 2020)

² U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (Jan. 2020 – March 2020, April 2021 – June 2021)

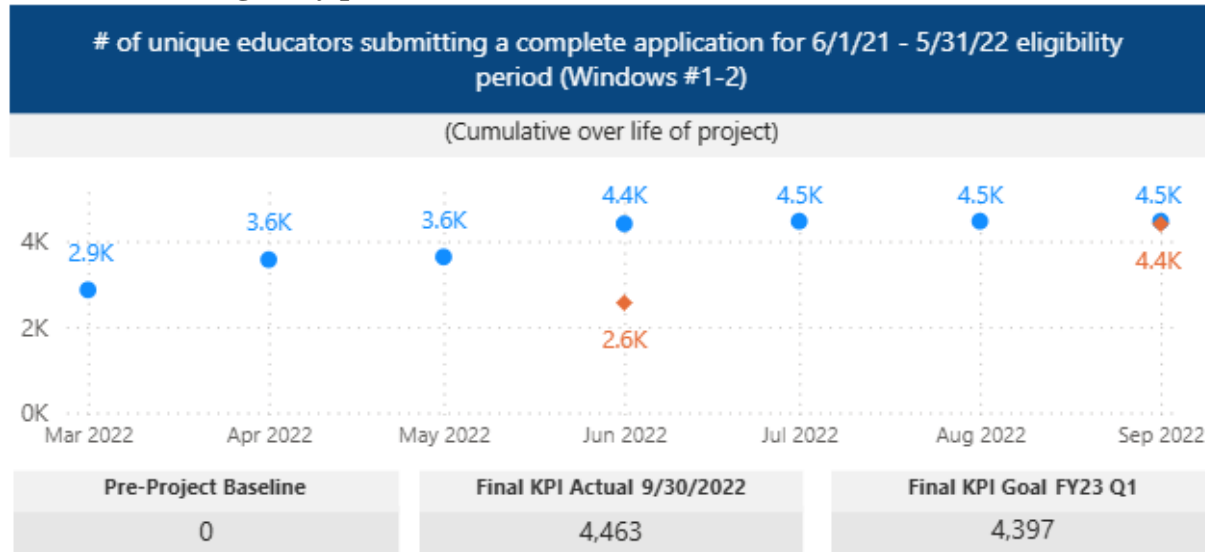
Financial Overview: All program payments can be found on the [Pandemic Recovery Office's website](#) by filtering the "Project" box for "Child Care Retention Bonuses." The project did not utilize its full appropriation of \$37.4 million, with \$3,143 of unexpended funds remaining at the conclusion of the project. Of this amount, \$1,596 was reclassified to the *Child Care Quality Improvements* project. The remaining \$1,547 is available for reclassification to other eligible SFRF projects. The table below shows planned expenditures by fiscal quarter and actual expenditures by fiscal quarter:

Fiscal Year Quarter	Planned Expenditures	Actual Expenditures
FY 2022 Q3	\$9,352,806	\$887,813
FY 2022 Q4	\$3,000,899	\$8,429,401
FY 2023 Q1	\$312,102	\$1,616,023
FY 2023 Q2	\$1,839,156	\$3,099,986
FY 2023 Q3	\$3,380,610	\$3,545,453
FY 2023 Q4	\$3,380,610	\$3,512,544
FY 2024 Q1	\$3,380,610	\$3,445,063
FY 2024 Q2	\$3,380,610	\$3,335,756
FY 2024 Q3	\$3,380,610	\$3,684,027
FY 2024 Q4	\$3,380,610	\$3,618,502
FY 2025 Q1	\$2,611,376	\$1,798,769
FY 2025 Q2	-	\$338,791
FY 2025 Q3	-	\$84,746
Total	\$37,400,000	\$37,396,893
<i>Note:</i> A single audit fee applies to all State Fiscal Recovery Fund projects and accounts for \$11,220 of the \$37,400,000 of planned expenditures and \$11,219 of the \$37,396,893 of actual expenditures in the above table.		

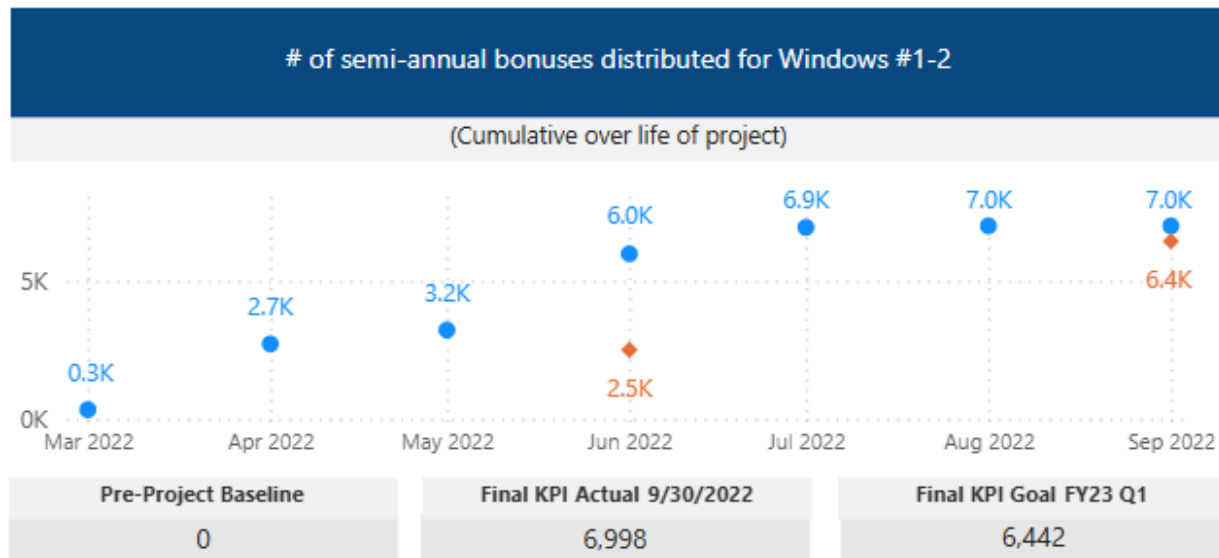
Key Performance Indicators: The following are the key performance indicators based on quarterly goals and monthly data collections.

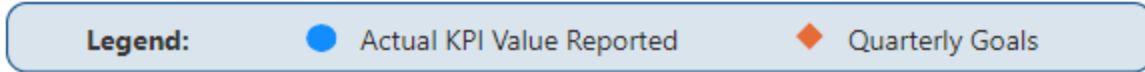


1. Number of unique educators submitting a complete application for the 6/1/21-5/31/22 eligibility period (Windows #1-2)

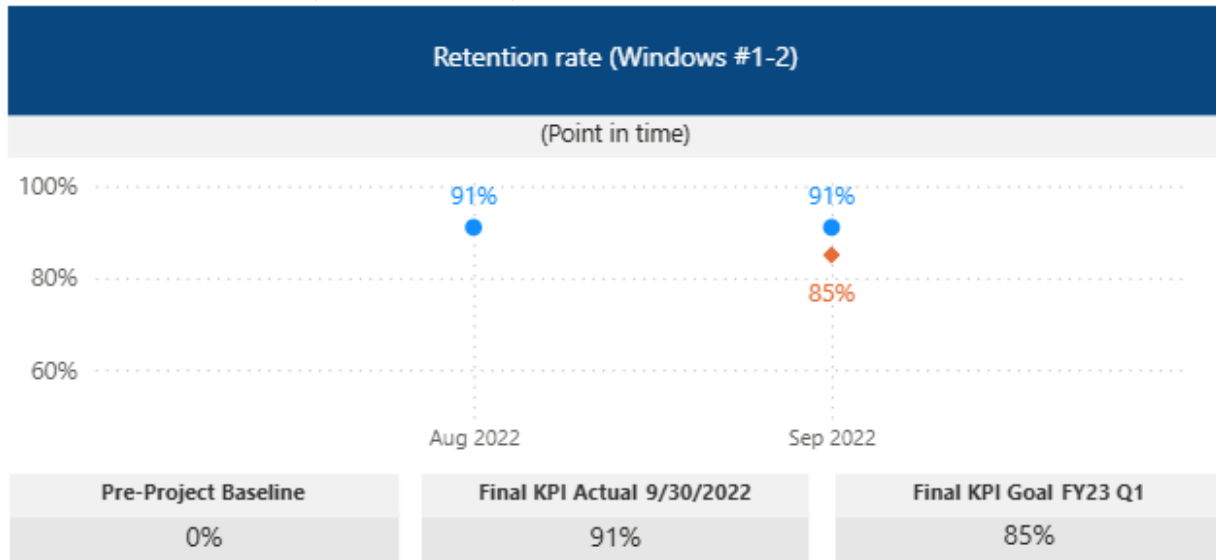


2. Number of semi-annual bonuses distributed for Windows #1-2

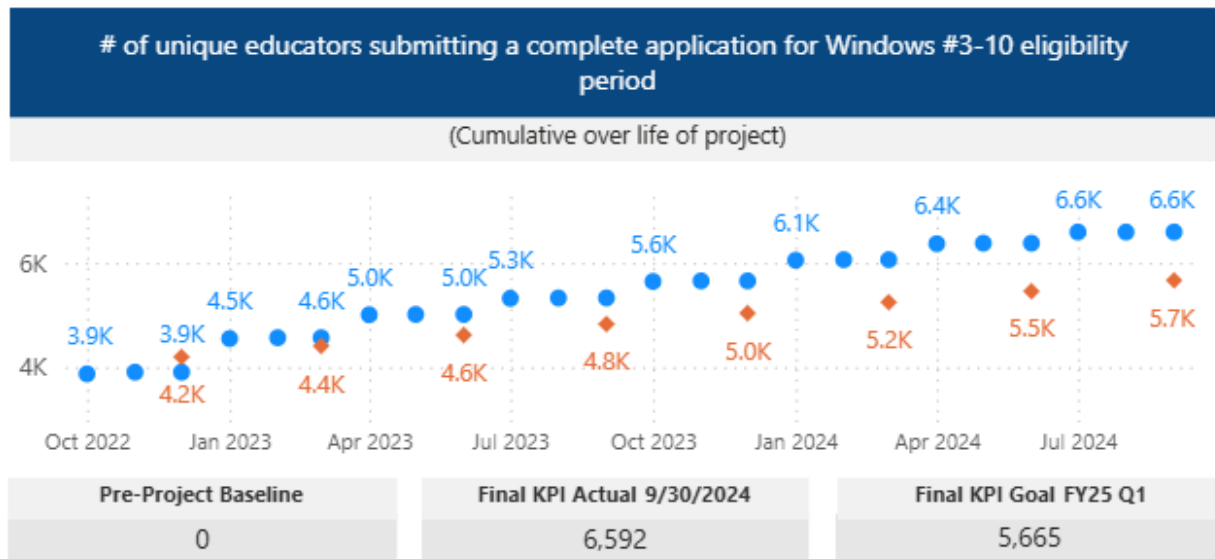




3. Retention rate (Windows #1-2)



4. Number of unique educators submitting a complete application for Windows #3-10 eligibility period



Legend:

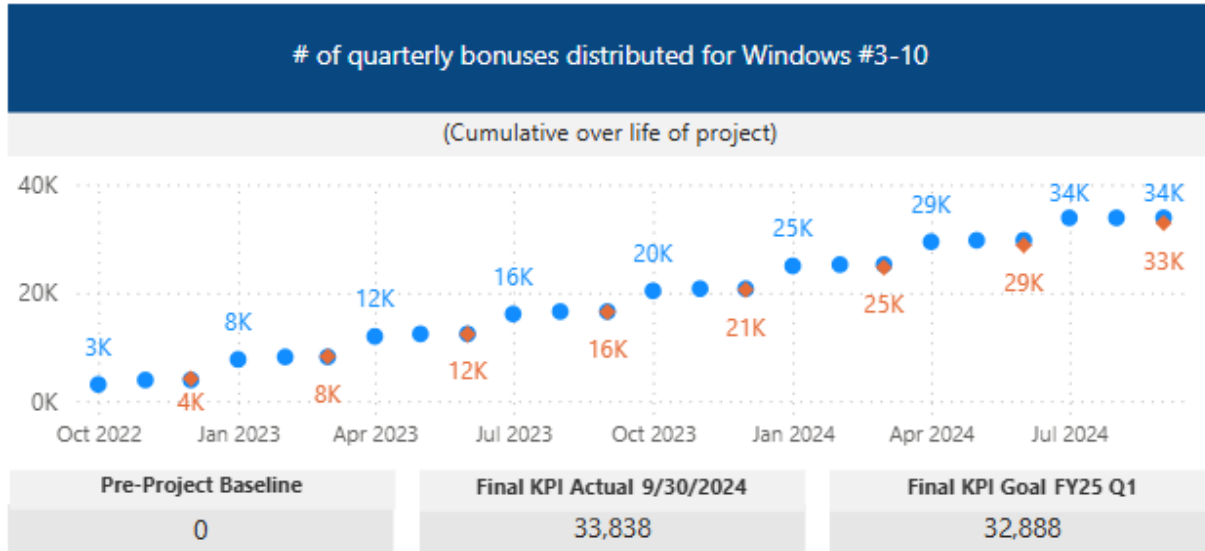


Actual KPI Value Reported

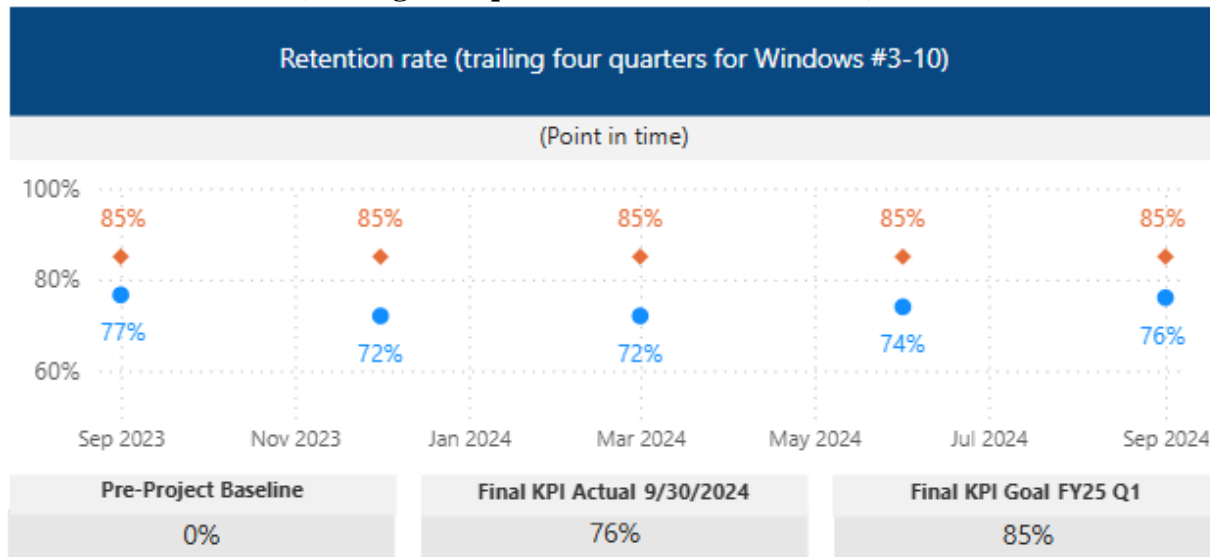


Quarterly Goals

5. Number of quarterly bonuses distributed for Windows #3-10

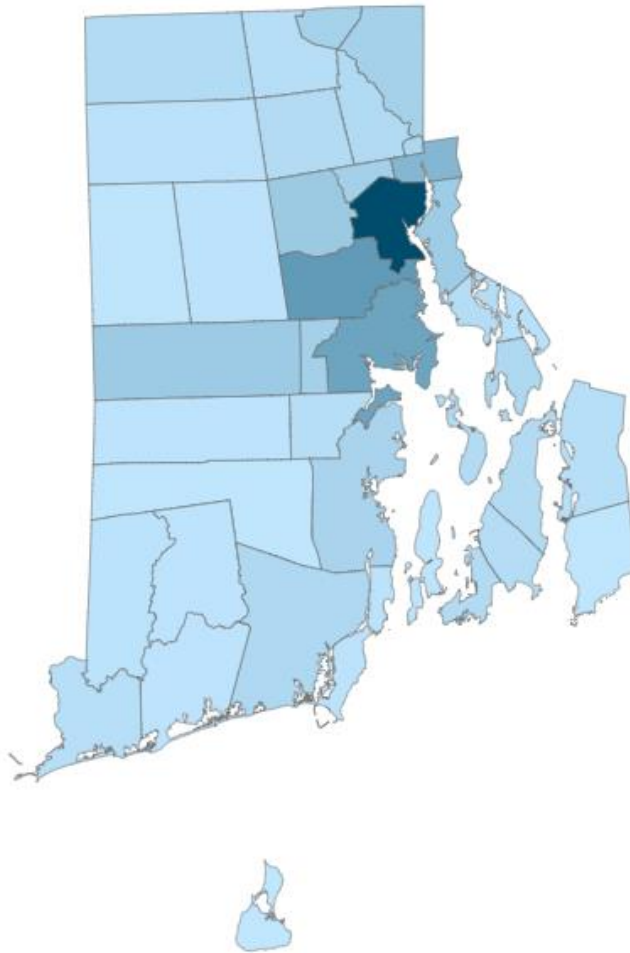


6. Retention rate (trailing four quarters for Windows #3-10)



Demographics: The map below shows the distribution of child care worker beneficiaries by home address.³

· **Distribution of Child Care Retention Bonuses by Child Care Worker's Municipality**

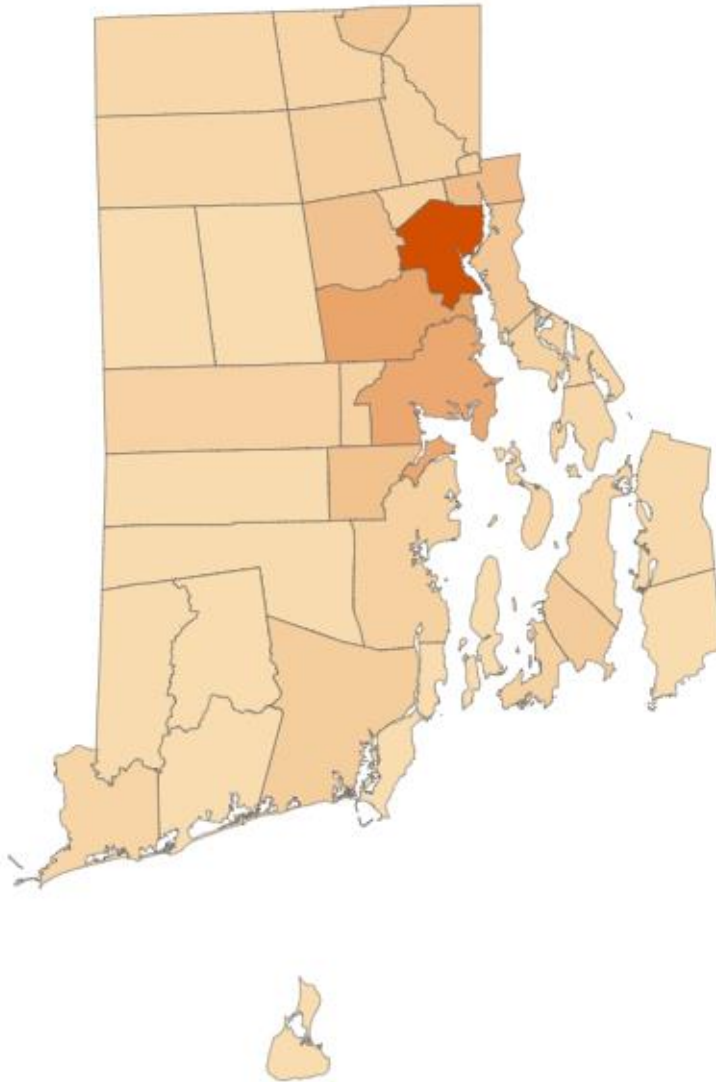


Municipality	Child Care Workers	Bonuses Distributed	Sum of Bonuses
Barrington	88	516	\$443,703
Bristol	170	768	\$657,197
Burrillville	139	655	\$540,554
Central Falls	150	842	\$695,870
Charlestown	35	164	\$139,389
Coventry	277	1,529	\$1,274,714
Cranston	719	3,922	\$3,291,621
Cumberland	232	1,177	\$979,792
East Greenwich	83	466	\$392,990
East Providence	278	1,412	\$1,187,110
Exeter	31	106	\$73,782
Foster	29	116	\$98,139
Glocester	64	288	\$245,351
Hopkinton	49	261	\$221,316
Jamestown	21	119	\$101,069
Johnston	288	1,536	\$1,287,569
Lincoln	146	711	\$589,123
Little Compton	14	70	\$60,498
Middletown	108	516	\$431,809
Narragansett	55	229	\$199,102
New Shoreham	4	32	\$29,285
Newport	121	598	\$511,349
North Kingstown	173	975	\$825,690
North Providence	245	1,231	\$1,036,078
North Smithfield	117	523	\$418,772
Pawtucket	485	2,458	\$2,071,189
Portsmouth	122	595	\$515,094
Providence	1,486	7,964	\$6,686,691
Richmond	42	180	\$153,388
Scituate	55	250	\$212,421
Smithfield	126	591	\$512,487
South Kingstown	144	755	\$642,378
Tiverton	75	431	\$368,779
Warren	66	365	\$308,421
Warwick	618	3,404	\$2,911,386
West Greenwich	37	192	\$167,567
West Warwick	243	1,225	\$1,031,900
Westerly	83	447	\$384,418
Woonsocket	245	1,123	\$938,261
Out of State	496	2,052	\$1,720,134
Total	7,597	40,794	\$34,356,386

³ Address data was not available for 42 bonuses to 38 child care workers totaling \$34,500.

The map below shows the distribution of bonuses across child care facilities by municipality.

Distribution of Child Care Retention Bonuses by Child Care Facility's Municipality



Municipality	Child Care Workers	Bonuses Distributed	Sum of Bonuses
BARRINGTON	179	850	\$715,551
BRISTOL	103	421	\$370,349
BURRILLVILLE	102	382	\$309,811
CENTRAL FALLS	166	885	\$755,729
CHARLESTOWN	21	122	\$102,569
COVENTRY	159	760	\$630,267
CRANSTON	736	3,753	\$3,159,339
CUMBERLAND	216	987	\$821,618
EAST GREENWICH	370	1,818	\$1,538,206
EAST PROVIDENCE	330	1,461	\$1,225,501
EXETER	49	183	\$152,602
FOSTER	23	84	\$68,391
GLOCESTER	72	350	\$289,384
HOPKINTON	32	186	\$161,210
JAMESTOWN	41	185	\$158,104
JOHNSTON	399	1,896	\$1,575,992
LINCOLN	178	644	\$559,379
LITTLE COMPTON	13	56	\$49,963
MIDDLETOWN	238	1,139	\$967,153
NARRAGANSETT	16	71	\$58,641
NEW SHOREHAM	4	32	\$29,285
NEWPORT	186	794	\$663,735
NORTH KINGSTOWN	143	766	\$662,019
NORTH PROVIDENCE	149	747	\$632,341
NORTH SMITHFIELD	135	611	\$490,163
PAWTUCKET	502	2,201	\$1,833,942
PORTSMOUTH	123	573	\$483,237
PROVIDENCE	1,733	9,429	\$7,953,729
RICHMOND	8	42	\$36,785
SCITUATE	13	63	\$55,606
SMITHFIELD	266	888	\$766,762
SOUTH KINGSTOWN	240	1,046	\$884,834
TIVERTON	66	317	\$260,602
WARREN	131	551	\$463,022
WARWICK	715	3,538	\$2,963,166
WEST GREENWICH	37	183	\$154,102
WEST WARWICK	196	820	\$694,948
WESTERLY	123	576	\$490,379
WOONSOCKET	295	1,426	\$1,202,467
Total	7,637	40,836	\$34,390,886

The table below shows the racial and ethnic demographics of grant recipients.

Race	Percentage
American Indian/Alaskan Native	1%
Asian	2%
Black or African American	12%
Native Hawaiian/Pacific Islander	1%
Preferred not to answer	6%
Two or More Races	1%
White	69%
Other	8%
Total	100%

Ethnicity	Percentage
Hispanic	22%
Non-Hispanic	78%
Total	100%