STARS FINANCIAL AWARD GUIDELINES and REQUEST FORM
Merit and Education & Retention Award (MERA)
Family Child Care Homes

Purpose:
Keystone STARS is an initiative of the Office of Child Development and Early Learning (OCDEL) to improve, support, and recognize the continuous quality improvement (CQI) efforts of Pennsylvania’s early learning and school-age programs. Providing financial supports to providers serving children who are vulnerable and at risk is one strategy implemented by OCDEL to promote continuous quality improvement. All award funds are contingent upon the availability of state funds. Note: This application may be denied if it is not complete or the instructions have not been followed. For any questions regarding the completion and submission of the MERA request, please contact the Regional Key.

Overview:
The MERA Request is divided into two sections:
- **Section 1 - Merit Award** includes expenses relating to Equipment and Supplies/Materials, Professional Development, Accreditation Costs, Staff Benefits, and Other Expenses. It is recommended that all programs applying for and receiving a Merit Award analyze their existing technology and use these funds to develop or enhance computer and internet access as necessary.
- **Section 2 – Education & Retention Award** contains staff-specific awards for highly qualified owner/operators and teaching staff.

General Provider Eligibility:
To be eligible for the MERA, a program must meet the following requirements. Additional requirements are detailed by section.
1) The provider must be designated at and meet all Keystone STARS Performance Standards associated with a STAR 2 (or higher) designation.
2) The provider must maintain the STAR designation for which the provider received the MERA during the approval and payment phase of the MERA. If a STAR level move-down occurs during this process, the provider is no longer eligible for that Award amount. It is expected that the provider is making a commitment to maintain the awarded STAR designation.
3) The provider must hold a regular DHS Certificate of Compliance. If a provider has a Provisional Certificate of Compliance, award funds may be available upon return to a full DHS Certificate of Compliance.
4) The provider must have an agreement with the local Child Care Information Services (CCIS) office. Furthermore, the provider must be willing to enroll a child who qualifies for subsidy, if space is available.
5) At least 10% of enrolled child care children must receive one or more of the following services or funding during the current fiscal year:
   a) TIER 1 Child/Adult Care Food Program (CACFP) - enrolled in CACFP administered through the United State Department of Agriculture (USDA). Providers are to maintain documentation of proof of USDA agreement of eligibility to make available upon request by the Regional Key; and/or
   b) Child Care Works subsidized care administered through the Child Care Information Services (CCIS); and/or
   c) Commonwealth of Pennsylvania’s Early Intervention Services program for children with developmental delays and disabilities. To include a child receiving Early Intervention services in the provider’s percentage, the following criteria must be met:
      (1) The provider is providing child care services to the child; AND
      (2) The provider is operating inclusive child care, which is defined as a program with no more than 33% of enrollment identified as children receiving Early Intervention Services; AND
      (3) The child must have a current Individualized Education Plan (IEP) / Individualized Family Service Plan (IFSP) on file at the provider.
   d) Early Head Start – Child Care Partnerships Initiative
6) The Provider must complete and submit a STARS Enrollment Calculation Tool (DES-04 and supporting verification documents as specified in the ECT form). Please refer to the requirements for completing the tool or contact your Regional Key for further details.

7) STARS Awards received in previous years must have been expended in compliance with award agreements.

8) Providers who owe liens/ liabilities to the Commonwealth and/or federal government, including tax liabilities, will be suspended from Keystone STARS and will not be able to receive grants and awards until those liens/liabilities are fully satisfied and the program provides the Regional Key a clearance certificate issued by the Department of Revenue. Clearance certificates can be obtained at the provider’s local tax office. Additionally, if a program receives child care subsidy payments, OCDEL may intercept subsidy payments in order to recoup the delinquent taxes on behalf of the state.

**Award Timeline:**
Due to the availability of funds being limited, it is recommended providers complete and submit to the Regional Key, all completed grant documents (postmarked or emailed) as listed below. It is recommended this submission occur within ten (10) calendar days of the provider’s current designation date or as soon as grant paperwork is made available after July 1st annually for those providers designated prior to the release of updated documents.

**For Electronic submission:**
- Pages A, B and E below
- Attachment #1 Keystone STARS Excel Budget Workbook with the following tabs completed: STARS Budget Request, Staff Bonuses and Salary, and Education and Retention Award.

**For Paper submission:**
- Pages A through E below
- Attachment #2 Keystone STARS Merit Award Budget Worksheet - see Attachment’s instructions for details.
- Attachment #3 Keystone STARS ERA Budget Worksheet - see Attachment’s instructions for details.

For timeline/process of closing the grant, see **Award Reconciliation/Closure** below.

**Helpful tips:**
- Best practice is to reconcile all receipts and complete the expenditure portion of the respective attachments for the electronic and paper submissions immediately after all purchases have been made. Please read the instructions in the respective attachment carefully prior to form completion.
- No spending attributed to this grant may occur after June 30th of the grant year.
- Electronic submission of the Award Request is highly recommended and will expedite the processing of the Grant Request.

**Award Amounts:**
For the award amounts, please see the details in the respective sections, **Section 1 – Merit Award** and **Section 2 – Education & Retention Award**.

**Award Guidelines and Compliance**
Non-compliance with all the requirements of the STARS Financial Award Request and the Grant Agreement could result in the provider being required to return grant funds to the Regional Key.
- OCDEL strongly encourages providers follow the Best Practices in STARS Financial Award Spending.
- Limitation of health care benefits are as follows: Child care owner/operator and child care practitioners working with children during operating hours (a minimum of 15 hours) a week are the only individuals eligible for reimbursement of health care benefit costs.
- All award funds are allocated for child care services only and are not to be used to supplement or complement the incomes of teachers in any other program or service (i.e. Pre-K Counts, Head Start) other than Keystone STARS.
- Funds attributed to this grant must be expended within the grant year and prior to June 30th.
- Providers are afforded flexibility to purchase within each line item without prior approval. Funds may be moved between line items as long as a line does not increase by more than 10% of the original budget. If a program determines the need to shift funds by increasing a line by more than 10%, prior approval is required by the Regional Key.
- Provider must retain original receipts for all award expenditures and ensure the receipt amounts match total expenditures as reported on the respective Attachment #1 Keystone STARS Excel Budget Workbook and Attachment #2 Keystone STARS Merit Award Budget Worksheet.
• **Important:** Any unexpended funds must be returned to the Regional Key.

**Award Reconciliation/Closure**

The completion of the respective attachments for the electronic and paper submissions will directly tie the request and approval of award funds to the reconciliation and approval of expended funds.

For Grant closing and budget approval/expense reconciliation, the following **must** be completed and submitted to the Regional Key (postmarked or emailed) by the date specified in the Grant Agreement or no later than June 30.

**For Electronic Submission:**

- Attachment #1 Keystone STARS Excel Budget Workbook with all tabs completed. (The budget revision tab completed only if budget revision was necessary).

**For Paper Submission:**

- Attachment #2 Keystone STARS Merit Budget Worksheet – see the Attachment’s instructions for details.
- Attachment #3 Keystone STARS ERA Budget Worksheet - see Attachment’s instructions for details.

Continuing this fiscal year, providers **will not** submit receipts to the Regional Key. Providers **must** keep original receipts for their records and for review by Regional Keys and state/federal agents who may need to review receipts for auditing/monitoring purposes. All grant related documents must be maintained for 7 years.

- For monitoring purposes original receipts must have at a minimum:
  - A purchase date (within the current Fiscal Year July 1 – June 30);
  - The name of the vendor or supplier;
  - Descriptions of purchased items;
  - Cost of each item and evidence of payment – the receipt must indicate balance due or, if paid, a balance due of $0-. If the receipt or invoice shows a balance due, proof of payment must be provided either by cancelled check or a document indicating balance due of $0-;
  - Dollar figures for total purchases must equal or exceed the requested Merit Award subcategory (and care levels) indicated for each item (Classroom Furnishings / Learning Materials / Minor Renovations / Gross Motor Equipment / DHS Certification Business Practices, Computer Technology / Professional Development, Accreditation Costs, Staff Benefits and Other Expenses).

- Receipts may exceed the total amount of funds issued with the understanding that the provider is responsible to pay for balances out of the program’s operating budget for amounts exceeding the grant request.

- The total of receipts must total expenditures as reported on the respective attachments.

**Examples of Unallowable Receipt/Invoice Documentation**

The Following is a listing of documents that are unallowable as a receipt or invoice:

- Copies of general ledger posting records.
- Copies of check registers or listing of checks written by providers.
- Computer accounting record screen-shots or other lists of data indicating payment.
- Documents that do not indicate Payee, date, amount paid and description of items purchased and/or is not supported by a check or other form of payment.
- Receipts that appear to have been altered or changed in any way.
- Payroll/employee compensation documents that indicate a payment period that crosses over Grant year-end. (Including checks dated after Grant year-end even if payroll period is within the Grant year). Do not submit receipts (payroll records, tax forms, etc.) for “Staff Bonuses and Salary”. Payroll records must be retained on-site.
- Receipt documents that do not appear to be issued by a valid supplier or vendor.
- Purchase orders or vendor/supplier monthly statements reflecting purchases.
Section 1: Merit Award Request Instructions/Guidelines

Merit Award: A provider may be eligible for a Merit Award by serving a 10% or higher population receiving subsidy, Early Intervention and Early Head Start/Child Care Initiative. This is the full-time enrollment calculation (FTE). Please refer to the Merit Award Table below.

The amount of the provider’s award is based upon the following:
1. The provider’s size based upon the calculation of the full-time and part-time enrollment of children receiving child care services.
2. The provider’s percentage of the full-time and part-time enrollment receiving Child Care Works Subsidy, the commonwealth’s Early Intervention services, TIER 1 Child/Adult Care Food Program (CACFP), and the Early Head Start - Child Care Partnerships Initiative. If a child is receiving both Subsidy and Early Intervention Services, or both Subsidy and participating in the Early Head Start - Child Care Partnerships Initiative, the child will be counted only one time.
3. Children must be enrolled in Child Care services to qualify for eligibility. Children funded exclusively through Head Start, PA Pre-K Counts, or Early Intervention only do not count toward the Award size. Please use the STARS Enrollment Calculation Tool (DES-04) to determine the provider’s full-time and part-time enrollment.

Merit Award Table

<table>
<thead>
<tr>
<th>Program Eligibility Percentage</th>
<th>STAR 2* (Three time award)</th>
<th>STAR 3</th>
<th>STAR 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% Receiving Subsidy/ Early Intervention Services/ CACFP/ EHS-CC Initiative</td>
<td>$1,000</td>
<td>$1,500</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

The intent of the STARS Merit Award is to support continuous quality improvement in early learning and school-age programs to achieve a STAR 2 or higher. The guiding principles for the award structure are as follows:

- Keystone STARS will encourage and support programs in developing and sustaining higher levels of quality, in strengthening outcomes for children and families, and improving school readiness.
- Keep STARS Performance Standards stable and continue to deepen the understanding and best practice of continuous quality improvement within Pennsylvania’s early learning and school age programs.
- Continue funding Keystone STARS with an emphasis on moving programs to higher levels of quality.
- Focus support on programs serving children who are vulnerable and at risk.

OCDEL is committed to providing financial supports to eligible participants of the Keystone STARS program to enhance quality learning experiences for Pennsylvania’s children. It is the responsibility of the award recipient to expend award funds in a manner that supports continuous quality improvement and aligns the provider with research-based quality standards and criteria. To guide the intentional expenditure of award funds, written justification is required. Please refer to the Optional Tool – Best Practices in STARS Financial Award Spending.

- List items requested grouped by category and Care Level on Page B. For example, a provider requesting Equipment & Supplies/Materials for Infants/Toddlers and School Age would enter the request as below.

Staff Benefits

<table>
<thead>
<tr>
<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 staff receiving health care benefits through Blue Cross</td>
<td>3 staff receiving health care benefits through Blue Cross</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Award funding for STAR 2 facilities will be extended for an additional two years with the submission of a detailed STARS Continuous Quality Improvement Plan.
• Use the following table to determine the appropriate Care Level for the items requested. (These ages and care levels correspond with those used in the STARS Enrollment Calculation Tool (DES-04).)

<table>
<thead>
<tr>
<th>Age Groups</th>
<th>Care Level</th>
<th>Children’s Age</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants/Toddlers</td>
<td>Infant</td>
<td>0-12 Months</td>
<td>INF</td>
</tr>
<tr>
<td></td>
<td>Young Toddler</td>
<td>13-24 Months</td>
<td>YOT</td>
</tr>
<tr>
<td></td>
<td>Older Toddler</td>
<td>25-36 Months</td>
<td>OLT</td>
</tr>
<tr>
<td>Preschool</td>
<td>Preschool</td>
<td>37 Months – Child Enters Kindergarten</td>
<td>PRE</td>
</tr>
<tr>
<td>School Age</td>
<td>Young School-Age</td>
<td>Kindergarten - 3rd Grade</td>
<td>YSA</td>
</tr>
<tr>
<td></td>
<td>Older School-Age</td>
<td>4th Grade - 13th Birthday</td>
<td>OSA</td>
</tr>
<tr>
<td>Mixed/Multiple Ages</td>
<td>Includes two or more age groups listed above.</td>
<td>MXD</td>
<td></td>
</tr>
</tbody>
</table>

• Best practice for spending is using the Award to purchase larger, more costly items. Consider the difficulty of receipt reconciliation and quality improvement implications when purchasing numerous low-dollar items.

• A provider may receive only one Merit Award per STAR level per fiscal year. In the event that a provider achieves a higher STAR level designation after receiving a Merit Award, the provider may be eligible for additional award funding at a pro-rated level. Contact the Regional Key to determine eligibility and availability of funds.

• STAR 2 providers may be eligible to receive a Merit Award once a year for up to three years in order to improve quality to reach STAR 3 and 4. A STAR 2 Merit may be awarded for a 4th and 5th year with the submission of an approved STARS Continuous Quality Improvement Plan that is detailed and demonstrates progress towards moving to higher STAR levels. Please refer to the Optional Tool – STARS Continuous Quality Improvement Plan for additional guidance.

• Merit Awards are site-specific. Monies must be used for site-specific quality improvement.

• Merit Awards cannot be used for the following:
  o Purchase of land, new construction, or major renovations.
  o Purchase of gift cards, money orders, gift certificates, travel checks, or any other comparable legal tender.
  o Payment of mortgages, utilities, or rental/lease payments for basic facility operations.
  o Purchase of alcohol.
  o Purchase of vehicles.
  o Payment toward staff entertainment, including amusement, diversion, and social activities or any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) that are not professional development related events.
  o Costs of membership in civic, community and social organizations (Kiwanis, Lions Club, Rotary, etc.).
  o Purchase of any second hand (used) items, including but not limited to those from individuals, yard sales and auctions.

• Merit Awards may be used only for child care related expenditures, which includes expenses that support blended classrooms. Please contact the Regional Key for more information on acceptable means of documenting cost allocations in instances where the facility is used by other organizations outside of services delivered by the early learning provider.

• For any item (minor renovations is considered a single unit cost) that has a unit cost of $3000 or more, a provider shall obtain a minimum of two (2) written price quotes to ensure fair and equitable bid practices, as follows:
  o The bids must be for identical or comparable merchandise, purchases, and/or work.
  o Provider will submit all bid quotes with this Grant Request to the Regional Key, but the provider should request payment for the lowest bid amount.
  o If the provider decides to accept the higher bid, the provider is responsible for any amount above the lowest quote using operational or other non-Keystone STARS funds. Please contact the Regional Key for further clarification.
  o If extenuating circumstances occur where the provider must accept the higher bid, the provider must contact the Regional Key to discuss the situation prior to submitting this Grant Request.

• The Department of Human Services retains the title to property of any equipment having a useful life of more than one year and an individual cost of more than $5000 that is purchased with this award.
  o The provider is required to notify their Regional Key if they are closing or will be disposing of said equipment. If a grantee permanently closes or sells the business, the Regional Key will need to work with the grantee to redistribute (as appropriate) to other Keystone STARS Providers supplies and equipment purchased using state and federal funds granted by the Regional Keys.
Merit Grant Award Categories

I. EQUIPMENT & SUPPLIES/MATERIALS

Equipment and Supplies for purposes related to site-based quality improvements correspond to needs identified in the Keystone STARS Performance Standards, Environment Rating Scale (ERS), or national child care quality standards including but not limited to National Association for the Education of Young Children (NAEYC), Council on Accreditation (COA), and Caring for Our Children (CFOC).

Classroom Furnishings that create a developmentally appropriate environment for learning such as:
- Sufficient furniture for children in care
- Child-sized tables and chairs
- Adaptive furniture for children with disabilities and/or special needs
- Mats, cots, and/or cribs for a restful naptime
- Area rugs and soft furniture for relaxation/comfort areas
- Child-sized shelves and storage units
- Cubbies/lockers to store children’s personal belongings

Learning Materials that support curriculum goals and Learning Standards such as:
- Blocks, art Supplies, musical instruments, games, puzzles, dramatic play props, nature items, science materials, and manipulatives
- Numeracy materials that introduce numbers, patterns, shapes, measurement, and problem solving
- Language materials that support receptive and expressive language, comprehension, and literacy
- Diversity awareness resources
- Materials to address individual needs of children including those with disabilities and/or special needs
- Curriculum guides, assessment tools, and other teacher resources

Minor Renovations to address indoor/outdoor space improvements to meet quality standards and criteria such as:
- Installation of playground equipment
- Playground resurfacing


Please note: Child Care Development Funds (CCDF) requirements apply. Call the Regional Key for more information.

Any item (minor renovations is considered a single unit cost) that has a unit cost of $3000 or more, a provider shall obtain a minimum of two (2) written price quotes to ensure fair and equitable bid practices.

Gross Motor Equipment that promotes safe, active play areas such as:
- Enough equipment to avoid a long wait
- Equipment that stimulates a variety of skills including balancing, climbing, ball play, steering and pedaling wheel toys
- Playground equipment
- Improvements or adaptations to active play areas (indoors and outdoors)
- Inclusion of children with disabilities and/or special need

DHS Certification, Business Practices, and Computer Technology:
- Continuing to support and exceed DHS Certification regulations
- Developing business practices such as: policy and procedure manual, financial systems, business plans, and staff support
- Computer and technology support in preparation for child assessments and outcome reporting such as: computer hardware, internet access, and fees associated with utilizing the assessment software/products
II. PROFESSIONAL DEVELOPMENT
Continuous Quality Improvement may be supported in early learning and school-age programs through the ongoing professional development of the owner/operator and staff such as:

- Professional development not supported through DHS funded professional development, Rising STARS Tuition Assistance program, CDA Assessment Voucher, STARS TA or other Regional Key-funded TA
- CDA course enrollment fee and instruction/coursework (that is not DHS funded)
- Conference registration fees
- Travel expenses for staff attending appropriate professional development
- Personnel costs of substitutes for professional development attended during site hours of operation (the hourly wage should not exceed the average hourly wage of an assistant teacher or group supervisor).
- Specialized professional development/technical assistance - specialized professional development and technical assistance that relates to achieving STARS Performance Standards in the areas of Learning Program, Partnerships with Family & Community, Leadership and Management and Health & Safety. Technical Assistance (other than TA provided as part of Keystone STARS) must meet the following criteria:
  o Should be PQAS approved (some exceptions in the area of Administration/Business Practices and Playgrounds and professional development required to maintain DHS Certificate of Compliance). For professional development such as national conferences, contact the Regional Key for prior approval.
- Other – expenses related to professional development that do not correspond to one of the categories listed above, such as membership in a professional organization related to the field of early childhood or school-age programs

Funding for credit bearing courses - The Merit Award will not fund courses leading to degrees above the Master’s level. For all credit bearing courses at the Master’s level and below, the Rising STARS Tuition Assistance Program Guidelines will be followed with the exception of the one-year work requirement at a STARS program. It must be verified that the student has either been found ineligible for the Rising STARS Tuition Assistance Program or has qualified but already exceeded the limits of that assistance. If the limits had been exceeded, the student could potentially be eligible for an additional capped amount of $6,000 under theMerit Award. Funds for credit bearing courses under the Merit Award are disbursed as reimbursement to those that have met the qualifications.

Unallowable costs include college courses funded by Rising STARS Tuition Assistance and CDA assessment fees already funded by the CDA voucher program. For providers not accessing tuition assistance or vouchers, please contact your Regional Key for eligibility details, grade requirements, and tuition policies. Attach additional pages if needed.

III. ACCREDITATION COSTS
Cost of Application for Accreditation - Continuous Quality Improvement may be supported in early learning and school-age programs through pursuing and achieving accreditation. This section reflects the cost of applying for or renewing all accreditation.

IV. STAFF BENEFITS
Continuous Quality Improvement may be supported in early learning and school-age programs through financial supports and compensation for staff. All staff and substitute funding must be processed through payroll and are subject to applicable taxes (processing through IRS 1099 is prohibited).

- Award funds may not be used to supplant existing salaries. Funds may be used toward salaries that support the provider in meeting the STAR standards. (Examples include: hiring or expanding working hours for substitutes/staff to provide breaks, planning time, observation and assessment time, preparation time required in meeting performance standards)
- Compensation: Keystone STARS Award funds may be used to support the provision of benefits to staff. It is recommended that providers work towards encumbering benefits into the provider’s operating budget. Benefits may include, but are not limited to, health insurance, paid vacation/sick time/holidays/personal time/family leave, child care benefit, retirement plan, etc. Distribution of benefits must be addressed in the provider’s personnel policies.
• For Staff Bonuses and Salary - Award funds may be used only for the child care owner/operator and child care practitioners who work directly with children during operating hours at least fifteen (15) hours a week. If the practitioner is funded by other sources, such as Head Start and PA Pre-K Counts, the provider must cost allocate the bonus/salary. Please contact the Regional Key for the acceptable documentation of cost allocation. **Note:** Please include all Staff Bonuses and Salary in the grid below on page C. (If submitting electronically, complete the Staff Bonuses and Salary tab on Attachment #1 Keystone STARS Budget Workbook)
• Restrictions: Practitioners must use the exact amount on their most recent W-2 when applying for grants and awards. The salary amounts may not exceed $40,000 for teaching staff and $50,000 for owner/operator.

V. OTHER EXPENSES
Continuous Quality Improvement may be supported in early learning and school-age programs through other program supports. Other expenses for which the provider would like to request funds may include taxes and shipping & handling charges for approved purchased items under the Merit award. Make sure to include an explanation of each item.

Section 2: Education & Retention Award (ERA) Request Instructions/Guidelines

**Education & Retention Award (ERA):** Staff awards are tied to the program's 10% subsidy minimum and tiered by STAR level, hours worked and Career Lattice Level. Hours are calculated on the average number of hours the staff person worked for the past 12 months. Please refer to the table below.

**Pro-rated Education & Retention Award Table**

<table>
<thead>
<tr>
<th>STAR Level Attained</th>
<th># Hours Worked Per Week</th>
<th>Owner/Operator Level 5 or above</th>
<th>Teaching Staff (Career Lattice Levels)†</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Level 6 or above</td>
</tr>
<tr>
<td>STAR 2</td>
<td>15 – 19</td>
<td>$ 1,500</td>
<td>$ 1,125</td>
</tr>
<tr>
<td></td>
<td>20 – 24</td>
<td>$ 1,975</td>
<td>$ 1,480</td>
</tr>
<tr>
<td></td>
<td>25 – 29</td>
<td>$ 2,355</td>
<td>$ 1,770</td>
</tr>
<tr>
<td></td>
<td>30 – 34</td>
<td>$ 2,740</td>
<td>$ 2,060</td>
</tr>
<tr>
<td></td>
<td>35 - 40</td>
<td>$ 3,090</td>
<td>$ 2,320</td>
</tr>
<tr>
<td>STAR 3</td>
<td>15 – 19</td>
<td>$ 1,750</td>
<td>$ 1,315</td>
</tr>
<tr>
<td></td>
<td>20 – 24</td>
<td>$ 2,300</td>
<td>$ 1,730</td>
</tr>
<tr>
<td></td>
<td>25 – 29</td>
<td>$ 2,750</td>
<td>$ 2,065</td>
</tr>
<tr>
<td></td>
<td>30 – 34</td>
<td>$ 3,200</td>
<td>$ 2,400</td>
</tr>
<tr>
<td></td>
<td>35 - 40</td>
<td>$ 3,605</td>
<td>$ 2,705</td>
</tr>
<tr>
<td>STAR 4</td>
<td>15 – 19</td>
<td>$ 2,000</td>
<td>$ 1,500</td>
</tr>
<tr>
<td></td>
<td>20 – 24</td>
<td>$ 2,630</td>
<td>$ 1,975</td>
</tr>
<tr>
<td></td>
<td>25 – 29</td>
<td>$ 3,140</td>
<td>$ 2,355</td>
</tr>
<tr>
<td></td>
<td>30 – 34</td>
<td>$ 3,660</td>
<td>$ 2,740</td>
</tr>
<tr>
<td></td>
<td>35 - 40</td>
<td>$ 4,120</td>
<td>$ 3,090</td>
</tr>
</tbody>
</table>

The intent of the Keystone STARS Education & Retention Award (ERA) is to provide annual financial awards to highly qualified owner/operators and/or teaching staff who have attained specialized degrees, credentials, and credit-based professional development in content areas that correspond to the age and developmental needs of the children being served. A further intent of the ERA is to assist providers in establishing a stable workforce as they work toward higher levels of quality by reducing turnover and improving the education of teaching staff. To be eligible, a provider must meet site-specific requirements as well as staff-specific requirements.

**Provider Eligibility Requirements**

The **provider** must meet the following site-specific requirements:

- Be able to provide the following upon request by the Regional Key:
  - Two years of site-specific operating budgets documenting income, expenditures and revenues
  - Copies of employee salary scale and personnel handbook

† Please refer to the Career Lattice and the Optional Tool—“Early Childhood Education Teacher Quality: Recognizing High Quality Core Content in Pennsylvania” documents on the PA Key website for clarifications regarding degrees types, related degrees, credit hours, etc.
Proof of payment of payroll taxes
Verification of staff eligibility through diplomas, transcripts, or other appropriate documentation
Documentation of participation in a Keystone STARS child care program (as opposed to PA Pre-K Counts or Head Start)

- ERA funds must be processed through payroll and are subject to applicable taxes (processing through IRS 1099 is prohibited). Adhere to IRS guidelines for employers, and be responsible for any employer portion of taxes as awards are distributed.
  - To prevent financial penalties to the provider from the US Department of Labor, providers are required to use all salary given to a staff person including ERA funds to calculate hourly rate of pay for over-time.
- Foreign degrees must be translated and reviewed by an approved source to determine U.S. equivalencies. Please refer to the National Association of Credential Evaluation Services (www.naces.org) and the “Early Childhood Education Teacher Quality: Recognizing High Quality Core Content in Pennsylvania” on the PA Key website for further assistance.
- Contact the Regional Key to determine eligibility for staff who:
  - Work at multiple sites of the same legal entity
  - Work in both early learning and school-age portions of the program day
  - Work with children funded through Head Start, Pre-K Counts, or Early Intervention

**Practitioner Eligibility Requirements**

- Staff must be employed at the site for at least 12 consecutive months prior to the date of ERA request.
- Teaching Staff awards may be used only for child care practitioners who work directly with children during operating hours (at least 15 hours) a week.
- Staff member must be a Keystone STARS child care or school-age practitioner
- Eligible Owner/Operators must be earning less than $50,000 per year including salary and bonuses (whether received through the Merit Award or the legal entity) as indicated by the exact amount reported on the Owner/Operator’s individual most recent W-2 statement.
- Teaching Staff must be earning less than $40,000 per year including salary and bonuses (whether received through the Merit Award or the legal entity) as indicated by the exact amount reported on the Teaching Staff’s individual most recent W-2 statement.
- Award amounts are based on the number of hours worked.
  - Staff members working a minimum of 35 hours per week for the past 12 months are eligible for a full award. Staff working an average of 15 to 34.99 hours per week for the past 12 months will receive a pro-rated award (as outlined in the Pro-Rated Education & Retention Award Table).
  - Staff working with children funded through Head Start, Pre-K Counts, or Early Intervention may be eligible for a pro-rated award for time worked with Keystone STARS child care or school-age children.
  - Staff members working less than 15 hours per week are not eligible for awards.

**Academic Eligibility Requirements for Early Learning and School-Age Practitioners**

Please refer to the Career Lattice and the Optional Tool “Early Childhood Education Teacher Quality: Recognizing High Quality Core Content in Pennsylvania” documents on the PA Key website for clarifications regarding degree types, related degrees, credit hours, etc.

- Owner/Operator Awards
  - At least a Level V on the Career Lattice
- Teaching Staff Awards
  - At least a Level III on the Career Lattice
- Teaching staff who are below Level III, administrative, custodial, transportation, food service staff, and volunteers are **not** eligible for the STARS Education & Retention Award.
STARS FINANCIAL AWARD REQUEST: Merit Award
To be completed by provider and submitted to the Regional Key

Name of Provider

STAR Level ___________________ Designation Expiration_____________________________

MPI# on Certificate of Compliance __________ County ________________________________

Section 1: Merit Award

Justification of Budget Request –

Provide a brief overall description as to how the Merit Award will support direct costs of early learning program. OCDEL recommends that Merit Awards be used to support the Quality Standards*.

*Quality Standards: Primary Staff Person/Owner Operator Qualifications; Primary Staff Person/Owner Operator Development; Secondary Staff/Substitutes and Assistants Qualifications; Secondary Staff/Substitutes and Assistants Development; Child Observation, Curriculum, Assessment; Environment Rating; Community Resources/Family Involvement; Transition; Business Practices; Continuous Quality Improvement; Staff Communication and Support; Employee Compensation
Please list the highest dollar items (up to five per care level) in each category you are requesting funding to support. Also indicate what care level the purchase is intended for (refer to the care level table on page 5 of the instructions)

### Equipment & Supplies/ Materials:

<table>
<thead>
<tr>
<th>Sub-Category</th>
<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Furnishings</td>
<td></td>
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</tr>
<tr>
<td>Learning Materials</td>
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<tr>
<td>Minor Renovations</td>
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<tr>
<td>Gross Motor Equipment</td>
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<tr>
<td>DHS Cert, Business Practices, Computer Tech</td>
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</table>

### Professional Development:

<table>
<thead>
<tr>
<th>Sub-Category</th>
<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
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<tbody>
<tr>
<td>Non-Credit</td>
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<tr>
<td>Credit</td>
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<tr>
<td>Other (including travel costs, personnel costs for substitutes, and technical assistance)</td>
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</tbody>
</table>

### Accreditation Costs:

<table>
<thead>
<tr>
<th></th>
<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
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### Staff Benefits: Please include all benefits except Staff Bonuses and Salary

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<thead>
<tr>
<th></th>
<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
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### Other Expenses:

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<th>Infants/Toddlers</th>
<th>Preschool</th>
<th>School Age</th>
<th>Mixed/Multiple Age</th>
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</table>
# Staff Benefits:
## Staff Bonuses and Salary

<table>
<thead>
<tr>
<th>Staff or Substitute Name</th>
<th>Title</th>
<th>Care Level (INF, YOT, OLT; PRE; YSA, OSA; MXD)</th>
<th>Current Annual Salary</th>
<th>Bonus Requested</th>
<th>Additional Salary Requested</th>
<th>Amount Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Example: Rosa Gonzalez</td>
<td>Part-Time Floater&lt;sup&gt;§&lt;/sup&gt;</td>
<td>INF</td>
<td>$15,000</td>
<td>$200</td>
<td>$4,420</td>
<td>$4,620</td>
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<td>15.</td>
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</tbody>
</table>

**Subtotal Staff Bonuses and Salary** $10,000

---

1. Current Annual Salary is based on the tax year and should reflect the exact amount on the employee’s most recent W-2 statement(s). Do not include Current Annual Salary in the Amount Requested column.

2. In the example listed above, the staff member is a part-time floater in the infant room with a current annual salary of $15,000. This employee is eligible for a $200 bonus per the policy that is part of the provider's personnel handbook. Additionally, the owner/operator has decided to use award funds to increase this employee's schedule by two hours per day to assist in covering paid breaks and planning time. The cost for this change is listed as Additional Salary Requested. As shown by this example, the combination of the employee's current annual salary, additional salary, and bonus does not exceed the $40,000 maximum for teaching staff.
STARS FINANCIAL AWARD REQUEST: Education and Retention Award
To be completed by provider and submitted to the Regional Key

Name of Provider

STAR Level__________ Designation Expiration_____________________________________

MPI# on Certificate of Compliance _____________________ County_____________________

Section 2: Education & Retention Award

Instructions: On this worksheet, document the staff eligible for the Keystone STARS Education & Retention Award. To complete this, please refer to the individual staff eligibility requirements in Section 2: Education & Retention Award (ERA) Request Instructions/Guidelines. Reference the Pro-Rated Education & Retention Award Table in Section 2 and the Career Lattice and the Optional Tool – Early Childhood Education Teacher Quality documents on the PA Key website to determine the amount entered in the “Award Amount Requested” column for each staff member and the appropriate career lattice level according to the major course of study as it appears on the staff member’s college diploma. Indicate if the staff works with school-age children and how many hours/week. Also, indicate if the staff member works in a classroom funded through Head Start, Pre-K Counts, or Early Intervention. List the care level of the classroom the staff member spends 50% or more of their time during the day. Only list those staff members who are eligible for a Keystone STARS Education & Retention Award. Make copies of this form for additional staff.

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Position Title**</th>
<th>Date of Hire</th>
<th>Care Level of Classroom (INF, YOT, OLT); (PRE); (YSA, OSA); or (MXD)††</th>
<th>Earnings (Child Care Annual Salary &amp; Bonuses)</th>
<th># Hours Worked Per Week</th>
<th>Career Lattice Level</th>
<th>Current Level of Education &amp; Major Attained (as it appears on diploma)‡‡</th>
<th>Does this staff work with school aged children? Yes/No and, if yes, list number of hour per week</th>
<th>Does this staff work in a classroom that receives funding through Head Start, Pre-K Counts or Early Intervention? (please specify)</th>
<th>Award Amount Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Jane Doe</td>
<td>OO</td>
<td>3/2/2000</td>
<td>MXD</td>
<td>$15,000</td>
<td>40</td>
<td>CL5</td>
<td>BA in Human Development</td>
<td>No</td>
<td>No</td>
<td>$3,605</td>
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</tbody>
</table>

Subtotal Education & Retention Award $ 

** Position Titles: OO = Owner/Operator as Primary Caregiver; SUB = Substitute; PSP = Primary Staff Person as the Operator
†† If staff does not provide teaching time in classroom, fill in “No.”
‡‡ Please refer to the Career Lattice and the Optional Tool – “Early Childhood Education Teacher Quality: Recognizing High Quality Core Content in Pennsylvania” documents on the PA Key website for clarifications.
STARS FINANCIAL AWARD REQUEST
TOTAL AWARD REQUEST SUMMARY

**Instructions:** In the table below, please list the total amounts requested for the Merit and Education & Retention Awards.

**At Closure/Reconciliation:** If a budget revision is required, call your STARS Representative to discuss options.

<table>
<thead>
<tr>
<th>Total Amount of Awards</th>
<th>Amount Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL MERIT AWARD REQUESTED</td>
<td>$</td>
</tr>
<tr>
<td>TOTAL EDUCATION &amp; RETENTION AWARD REQUESTED</td>
<td>$</td>
</tr>
<tr>
<td>TOTAL MERIT AND EDUCATION &amp; RETENTION AWARD REQUESTED</td>
<td>$</td>
</tr>
</tbody>
</table>

STARS FINANCIAL AWARD REQUEST: Merit and Education & Retention Award Request Attestation

**Instructions:** Please complete this page and submit with the Keystone STARS Merit and Education & Retention Award (MERA) package. To be eligible to receive the MERA, make sure that the individual who signs this request has legal authority to represent the provider.

**Education & Retention Award**

- This provider meets the requirements for receiving the Education & Retention Award.

  -OR-

- This provider is not applying for individual staff Education & Retention Awards.

**Attestation**

By signing this document, the grantee certifies that all instructions were read prior to completion of this form. The grantee also certifies that, as of the date of this grant request, this legal entity/program has no liens/liabilities or other commonwealth or federal obligations. Discovery of state or federal liens/liabilities or other obligations by the Regional Key and/or OCDEL staff will result in the grantee’s/legal entity’s program(s) STAR level being suspended in Keystone STARS, and may result in the garnishment of Child Care Works subsidy, until such time as those liens/liabilities are fully satisfied. Lastly, the grantee certifies that, as of the date of this grant request, this program location has a full Certificate of Compliance.

**Signature Section:**

Signature of the Individual Who is Legally Authorized to Represent the Provider       Date

Print Name                                        Provider Phone Number

Title

FA-03 (Family)
10/4/16