

APPENDIX



June 3, 2024

Senate Education Committee
New Jersey State House
P.O. Box 099
Trenton, NJ 08625-0099

Re: Senate Education Committee Hearing on Mixed Delivery Preschool In New Jersey

Dear Chair Gopal and Members of the Committee,

Thank you for your leadership in holding this important hearing on mixed delivery preschool in New Jersey. The Early Care and Education Consortium (ECEC) is a national non-profit alliance of licensed child care providers, state child care associations and education service providers. Collectively our members operate over 7,000 child care centers nationwide, serving nearly one million children. In New Jersey specifically, our members operate 355 centers, employ over 8,600 educators and staff, and have the capacity to serve over 53,800 children. Seven of our member companies participate in New Jersey's state preschool program, and many also participate in the preschool programs of other states.

Since 2018, Governor Murphy and the Legislature have increased preschool funding by over \$427 million and added more than 14,600 preschool seats in New Jersey school districts. Given this significant investment and its potential impact on preschool providers and families, it is important to consider *how* preschool services are delivered. We believe (and we understand that the Administration shares this view) that providing preschool through a mixed delivery model – one that leverages the expertise and infrastructure of *both* community-based providers *and* the public schools – is the best and most effective way to provide preschool services. Community-based providers can include, for example, centers and Head Start programs.

Including community-based providers in the state preschool program helps leverage existing infrastructure – physical infrastructure that is already purpose built for young children – and human infrastructure (educators that are trained to work with preschoolers). Including community-based providers also expands options for families and ensures that they can select a high-quality program that best meets their needs. It is noteworthy that community-based providers often provide programs that cover all working hours and operate during the summer, and they already have relationships with families as a result of serving younger children.

While New Jersey provides districts the option to contract with community-based providers to offer preschool, most districts are not required to do so. Further, it is noteworthy that failing to sufficiently invest in mixed delivery preschool can cause negative unintended consequences. For example, if state Pre-K is offered solely or mostly through public schools, and community-based providers lose four-year-olds to this program, they may struggle to keep classrooms open and serve remaining families in their care. We are currently seeing these effects in New Jersey. To make child care budgets work, tuition is needed from three- and four-year-old classrooms to help offset the cost of care for infants and toddlers. Care for younger children is more expensive to provide due to lower adult-child ratios, and it is often difficult for families to cover the full cost of this care. Ultimately, when providers lose four-year olds, they may also have to raise tuition on remaining families.

In recent months, New Jersey has made some progress toward advancing mixed delivery. As of 2023, districts' Preschool Expansion Aid (PEA) applications are assigned priority points if they include collaboration with



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community-based providers. In addition, language was included in New Jersey's FY 24 budget that required districts to show (in their applications) due diligence that they had sought to establish partnerships with all licensed child care providers and Head Start programs in their community and neighboring communities that were willing and able to meet all preschool program requirements. Ultimately, 19 out of 39 district applications (almost half) included plans to partner with community-based providers.

While the aforementioned examples indicate progress, more mixed delivery partnerships could be developed. According to a 2024 report on mixed delivery by the New Jersey Department of Education, of 283 districts that are participating in the state's preschool program, 90 (or just under 32 percent) are partnering with community-based providers. In addition, entering into mixed delivery partnerships could be made more palatable for both community-based providers and school districts. Further, with 70 percent of New Jersey children under the age of six who have all available parents in the workforce,¹ it is clear that more full-day, full-year pre-K options are needed. Community-based providers can help to meet this need.

Thank you for your time and consideration, and please do not hesitate to contact me at ejacobsen@bhfs.com with any follow-up questions or recommendations.

Sincerely,

Elsa Jacobsen
Director of State Government Relations
Early Care and Education Consortium

ENCLOSURE: [Improving State Pre-K Investments: How Mixed Delivery Pre-K Programs Maximize Parent Choice and Effectively Serve Children and Families](#)

¹ Statistics on Children, Youth and Families in New Jersey (2022). Kids Count Data Center, Annie E. Casey Foundation and Advocates for Children of New Jersey.

<https://datacenter.aecf.org/data/tables/5057-children-under-age-6-with-all-available-parents-in-the-labor-force?loc=32&loct=2#detailed/2/32/false/1095,2048,1729,37,871,870,573,869,36,868/any/11472,11473>



WHAT IS MIXED DELIVERY PRE-K?

High-quality early care and education (ECE) is essential to a strong economy. It enables parents to enter and remain in the workforce and prepares children for school. Community-based ECE providers have long supported the needs of working families and local economies, allowing parents to select a high-quality program that best fits their needs. During the early years, parents consider various criteria, including the location, hours of operation based on work schedules, and program type, amongst other factors.

Despite the importance of ECE to child brain development¹ and benefits to the economy², ECE programs remain out of reach for too many families across the country. To address this issue, as states consider expanding access to ECE programs through investments in Pre-K, they should use a mixed delivery model that allows publicly-funded services to be offered in a range of community-based settings, not just through public schools. This approach leverages the existing infrastructure and expertise of licensed community-based organizations, such as child care centers, home-based programs, faith-based providers, Head Start and Early Head Start, and other program types.

A true mixed delivery model is the best and most effective way to provide high-quality, affordable ECE options. However, not all state preschool programs currently use a mixed delivery model.



IMPLICATIONS OF NOT IMPLEMENTING A MIXED DELIVERY MODEL

Failing to invest in a mixed delivery model has significant negative unintended consequences for families, early childhood professionals, and the larger ECE ecosystem. These include increased costs for families, more limited choices, and the closure of providers, at a time when there is already a lack of ECE programs in many communities.

For example, if Pre-K is offered solely or mostly through public schools, community-based providers who lose preschool aged children may need to significantly raise prices for infants and toddlers to balance their budgets. Care for younger children is more expensive to provide—labor costs increase due to lower adult-child ratios. At the same time, raising tuition for infants and toddlers could render these services unaffordable for many families. If providers cannot maintain enrollment at higher prices, some may have no choice but to close their doors. Ultimately, failing to implement mixed delivery Pre-K can lead to replication of systems that already exist, which is an inefficient and ineffective use of limited resources.



COMPONENTS OF SUCCESSFUL MIXED DELIVERY MODELS

Several key factors must be considered as states create effective mixed delivery Pre-K systems, including: **parent choice, program administration, equitable access, affordability, robust funding, and quality of programming.**

The following page includes examples of how several states address these factors. These states include Colorado, Florida, Georgia, Michigan, North Carolina, Pennsylvania, and Vermont.

¹ <https://www.cdc.gov/ncbddd/childdevelopment/early-brain-development.html>

² <https://www.stroonation.org/articles/280-want-to-grow-the-economy-for-the-child-care-crisis>



EXAMPLES OF SUCCESSFUL MIXED DELIVERY MODELS



Parent choice: Meeting the needs of families requires providing options that best work for their schedules and that account for other varying needs or preferences. For example, families might need a program that covers all working hours or prefer that the provider speak the family's home language. Having a variety of options can also promote continuity of care by enabling children to remain with a single provider for a full-day and/or during the summer, avoiding disruptions that could impact both a child's development and a family's work day.

- Colorado, Florida, Georgia, Michigan, North Carolina, Pennsylvania, and Vermont offer families publicly-funded Pre-K in the setting of their choice, including services from community-based providers and public schools.



Program Administration: Mixed delivery is often best achieved if the Pre-K program and funding is administered by a central entity not offering direct services, such as a state or local agency, to ensure equal opportunities for all types of qualified providers to participate.

- In Pennsylvania and Georgia, eligible providers enter into grant agreements directly with the state agency to serve Pre-K students.
- In Colorado, Florida, Michigan, and North Carolina, the state contracts with local agencies to administer their Pre-K program.



Equitable Access and Affordability: States should consider how to improve access and affordability for all families, while targeting limited funds to families with the greatest need.

- Certain states, including Colorado, Florida, Georgia, and Vermont provide free Pre-K for children regardless of household income, maximizing availability of high-quality care.
- In other states, eligibility for publicly-funded Pre-K is subject to certain requirements, most often income limits, to target families for whom affordable options are most out of reach. Michigan and Pennsylvania offer free preschool to 4-year-olds from families with incomes at or below 300% of the federal poverty level while North Carolina prioritizes families earning under 75% of the State Median Income.



Robust Funding: States should consider the funding needed to support families throughout a mixed delivery system. Ideally, this funding should enable states to set reimbursement rates that cover the true cost of care, support competitive compensation for teachers and staff, and address facilities and utilities costs, service hours, and multiple other factors.



Quality of Programming: There are a variety of factors states may consider when determining program quality, including setting quality standards, supporting continual improvement, and utilizing other methods of program quality oversight.¹

- All states providing publicly-funded Pre-K impose requirements on providers as a basis of program eligibility, such as ratios and group sizes, teacher qualifications, and/or additional parameters.
- Many states provide a list of approved curricula for the state preschool program, and some states will approve additional curricula if they align with state early learning standards. A comprehensive curriculum contributes to the quality of preschool programming.
- To support quality improvement and monitor adherence to program requirements, states may also require or encourage providers to participate in annual child or program assessments or Quality Rating and Improvement Systems.

¹ https://nleer.org/sites/default/files/2024-05/2023_nleer_yearbook_4.24.24-compressed.pdf



The Mission of the New Jersey Head Start Association is to provide leadership to strengthen and inspire stakeholders through advocacy, support, collaboration and communication to benefit New Jersey's youngest children and families.

The Vision for Universal Pre-K in NJ: New Jersey is at the forefront of ensuring that our children benefit from a strong school readiness foundation. Aligned with the goals of the Biden-Harris American Families Plan, Governor Murphy has a vision of Universal Pre-Kindergarten (Pre-K) for all children in our State. In his words, *"Investing in early childhood education lays the foundation for a bright future for our early learners."* [nj.gov]

Head Start's Critical Role in Achieving Universal Pre-K

Head Start is a federally funded, community-based early education program that gives young children ages 0-5 from at-risk backgrounds the skills they need to be successful in school and in life. It is the only coordinated preschool system in the country that serves three- and four-year-old children.

The New Jersey Early Head Start and Head Start programs work together to ensure families receive high quality, comprehensive early education services that address education, health, oral health, mental health, disabilities, nutrition, social services, family engagement, and parent leadership.

And yet, Head Start only reaches about one out of every three eligible children, leaving out significant numbers of Hispanic and Black children who live in neighborhoods where funding is insufficient to meet the need.

The American Families Plan for Universal Pre-K prioritizes preschool of the highest quality with a full range of services to families in high-need communities as well as support for educators seeking to earn a bachelor's degree or other early childhood education credential.

Head Start programs in New Jersey meet or exceed all of these requirements.

ACTION STEPS FOR SYSTEM-WIDE SUCCESS

Access to Quality	Early Learning Workforce	Healthy Learning Environments	Strategic Investment of Resources
<ul style="list-style-type: none"> Increase federal and state funding Mandate automatic pre-school eligibility and referral for the most vulnerable children Ensure equitable access to school-district resources for all children 	<ul style="list-style-type: none"> Achieve parity of pay for teachers and staff throughout the entire system Share increases in State funding with HS providers delivering state-funded pre-K Offer State and district resources for 	<ul style="list-style-type: none"> Amend regulations to provide space waivers to fully-licensed facilities Extend contract terms to five years to enable effective long-term planning and cost savings 	<ul style="list-style-type: none"> Authorize HS agency rollover of unspent state funds Ensure comparable per-child funding across the entire preschool system

Head Start's Impact in New Jersey

<p style="font-size: 1.2em;">Funding</p> <p style="font-size: 1.5em; font-weight: bold;">\$215,788,240</p> <p>FY21 Funding (excluding Migrant & Seasonal)</p>	<p style="font-size: 1.2em;">Head Start Jobs</p> <p style="font-size: 1.5em; font-weight: bold;">4,164</p> <p>Head Start and Early Head Start Jobs in New Jersey</p>	<p style="font-size: 1.5em; font-weight: bold;">10,773</p> <p>Funded <i>Head Start</i> Slots</p> <p style="font-size: 1.5em; font-weight: bold;">3,959</p> <p>Funded <i>Early Head Start</i> Slots</p> <p style="font-size: 1.5em; font-weight: bold;">85</p> <p>Funded <i>Migrant/Seasonal</i> Slots</p> <p style="font-size: 1.5em; font-weight: bold; text-align: center;">14,817</p> <p style="text-align: right;">TOTAL</p>
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Head Start and Early Head Start
Centers Statewide

WHERE TO
FIND HEAD
START IN
NEW
JERSEY



Head Start's Model: Comprehensive and Multi-Generational

The New Jersey Head Start Association represents 14,817 pregnant women, infants, toddlers, and preschool children. During the 2022-23 program year, 12,417 families were served throughout the state of New Jersey.

Extensive, independent research into the impact of Head Start clearly demonstrates that, *"children who attend Head Start have enhanced physical health, improved social skills, and increased math, language, and literacy skills that better prepare them for Kindergarten and school"* (Source: National Head Start Association, July 2021).

Questions? Contact us at headstartnj@gmail.com email. For more information, please visit: www.newjerseyheadstartassociation.org website

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NEW JERSEY HEAD START AND THE VISION FOR UNIVERSAL PRE-K

The New Jersey Head Start Association (NJHSA) and its member agencies have been an integral part of the State's system of early childhood education for over 55 years. Our more than 200 centers statewide provide children with foundational learning experiences, along with comprehensive supports to meet their needs and those of their families, in safe and healthy learning environments.

Proudly, New Jersey is at the forefront of ensuring that our children benefit from a strong school readiness foundation. Governor Phil Murphy has a vision of Universal Pre-Kindergarten (Pre-K) for all children in our State. In his words, *"Investing in early childhood education lays the foundation for a bright future for our early learners."* (nj.gov). Aligned with this vision, and with the goals of the Biden-Harris American Families Plan, NJHSA is committed to working in full partnership with all stakeholders --- the Governor, the State Department of Education (DOE), our local school districts, and other service providers --- to create the highest quality system of services for our children.

August 2022 Position Statement

The Governor's Universal Pre-K strategic plan is led by the NJ DOE. While this plan stresses the importance of involving Head Start and early care providers in Pre-K expansion as essential resources in a mixed delivery system of services, NJHSA is working diligently to address a number of significant challenges to achieving this critical goal, issues we address in detail in this white paper.

HEAD START'S ROLE IN UNIVERSAL PRE-K EXPANSION

Head Start is a federally funded, community-based early education program that gives young children ages 0-5 from at-risk backgrounds the skills they need to be successful in school and in life. Significantly, it is the only coordinated preschool system in the country that serves three- and four-year-old children. With this nationally recognized model of high-quality education, we have collaborated closely for many years with former Abbott school districts serving New Jersey's three- and four-year old children in a mixed delivery system of preschool services.

Extensive, independent research into the impact of Head Start throughout its history clearly demonstrates that, *"children who attend Head Start have enhanced physical health, improved social skills, and increased math, language, and literacy skills that better prepare them for Kindergarten and school"* (Source: National Head Start Association, July 2021).

Today, Head Start programs in our state reach a total of 14,475 eligible children ages 0-3 (Early Head Start) and 3-5 (Head Start) including our most vulnerable children who are without homes, experiencing disabilities, and living in the foster care system. We deliver a comprehensive continuum of high-quality school readiness, education, health (including mental and oral health), and family support services. Many Head Start agencies also provide before and aftercare, enabling parents to work or pursue job training or educational advancement. And yet today, Head Start only reaches about one out of every three eligible children, leaving out significant numbers of Hispanic and Black children who live in neighborhoods where funding is insufficient to meet the need. Further, while Head Start is an integral part of the fabric of our communities and many of our staff members live in those communities, resources to pay them are so limited that many must work multiple jobs to provide for their own families.

The American Families Plan for Universal Pre-K prioritizes preschool of the highest quality with a full range of services to families in high-need communities as well as support for educators seeking to earn a bachelor's degree or other early childhood education credential. Head Start programs meet or exceed all of these requirements. In fact, a number of states leading the charge for high quality Universal Pre-K (Washington State, West Virginia, Michigan, Alabama, Iowa, Minnesota, Oregon) are placing Head Start programs at the heart of their efforts, with several allocating state funding directly to Head Start provider agencies.

NJHSA'S VALUES & STRATEGIC PRIORITIES

Despite the intentions of the NJ Supreme Court in the Abbott v. Burke decisions, our system of state-funded preschool education continues to be hampered by significant structural inequities that prevent the optimal delivery of high-quality education to all of our early learners. As the New Jersey Department of Education works to develop a ten-year preschool roadmap, NJHSA therefore deems it essential that critical barriers --- namely those that negatively impact our capacity to ensure high quality education, workforce parity, vibrant learning environments, and the equitable allocation of resources --- be directly addressed in any future plans for Pre-K expansion.

- 1. New Jersey's system of early childhood education does not currently provide equitable access to the best quality services for all of our children.*

NJHSA members are united in our passion for overcoming racial inequities and the destructive forces of poverty. We believe that equity can only be achieved when all preschool children, regardless of where they go to school, have access to the same high-quality learning experience wrapped in comprehensive services designed to improve the quality of life for the whole family.

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Our strategic priorities therefore focus on:

- ✓ Advocating for increased federal and state funding and other resources, including direct funding for Head Start, and the full utilization of Head Start services to reach underserved low-income children and children of color
- ✓ Instituting a State mandate for Head Start's engagement as an essential partner in the design and implementation of New Jersey's ten-year roadmap and all future preschool planning
- ✓ Ensuring equal access among providers to state-funded early childhood education services for all eligible children available through local school districts, including Title I funds intended to support at-risk children served by Head Start
- ✓ Mandating automatic pre-school eligibility and referral to Head Start for all of New Jersey's vulnerable children, including those with disabilities, in foster care, in kinship care, or experiencing homelessness
- ✓ Extending the per-child funding model to share resources equitably with Head Start providers for case management, transportation, and other supportive services to which vulnerable children and families are categorically eligible
- ✓ Paying close attention to existing collaborative partnerships between local school districts and community preschool providers throughout our communities and striving to replicate approaches that are proving effective for boosting enrollment, supporting staff development, enhancing family services, and improving overall quality.

2. The current allocation of preschool resources throughout New Jersey does not effectively ensure pay equity, which is fundamental to building a highly qualified early learning workforce

The quality of preschool education in our State depends directly upon the qualifications, skills, dedication, and commitment of our teachers and early learning staff. Head Start and partnering providers delivering state-funded preschool must be state-certified and perform the same duties as district preschool teachers. Although the intent of the New Jersey Supreme Court in Abbott—and subsequent DOE regulations—require parity between preschool programs, such parity is rarely achieved. With far fewer dollars than our public-school partners for salaries and benefits, our ability to hire and retain qualified staff remains extremely challenging. This has, of course, become even more problematic since the

onslaught of COVID-19 as existing and potential employees now have competing job opportunities including employment with school districts directly engaged in preschool expansion, many of which are working to increase pay rates for teachers.

We therefore advocate for an early education system in which:

- ✓ Head Start and other community-based providers receive per-pupil reimbursement for preschool services comparable to district preschool programs. This is essential to achieving equity in salaries and benefits for all teachers and staff delivering similar services
- ✓ Sufficient time and resources are available for Head Start employees to pursue early childhood education and professional development including certifications, and bachelors' and advanced degree programs
- ✓ School districts receiving increases in State funding be required to share those resources proportionally with Head Start providers delivering state-funded Pre-K programs
- ✓ Resources are provided to Head Start teachers with a two-year degree pursuing a four-year degree or other enhanced credentials, as was the policy in the early days of Abbott.

3. Current policies and contract structures are not sufficient to ensure that all of our preschool children thrive in safe and healthy learning environments with the most cost-effective use of resources possible

We therefore see a future in which:

- Collaboration between local school districts and Head Start providers is mandated to make the best possible use of early childhood facilities throughout our communities
- State regulations are amended to provide space waivers to fully licensed Head Start facilities that already comply with federal size standards
- Contracts terms between school districts and Head Start providers are extended from one year to five years, with an option for an additional five-year renewal, enabling providers to achieve savings by negotiating long term leases with landlords and/or obtaining bank loans to purchase or renovate facilities.

throughout the entire system of preschool education --- in the best interest of all New Jersey children and families.

Important Note: In the early years of Abbott, New Jersey Head Start providers received State funding for educational programs and extended hours of morning and afternoon through contracts with DOE and the Department of Human Services respectively. This support was unfortunately short-lived as the result of changes to parent eligibility, dramatic budget reductions, and the institution of fee-for-service reimbursement agreements replacing contracts. Even before the COVID-19 Pandemic, these funding reductions have had a severely negative impact on the capacity of community preschool programs facing undue financial hardship to provide equitable and optimal quality services. Today, Head Start agencies must make the difficult choices required to cover even basic operational costs with very limited budgets, preventing us from paying teachers and staff comparable salaries and benefits to those offered by school districts, and limiting our ability to make investments and enhancements required to serve our children and families with excellence, as we consistently strive to do.

ADVOCATES FOR CHILDREN OF NEW JERSEY

Investments in our children reap results. Not just for one child, but for thousands of children all over New Jersey.

That is why Advocates for Children of New Jersey, in partnership with parents and community members, works with local, state, and federal leaders to develop solutions that will give every child the chance to grow up safe, healthy, and educated. Our work results in better laws and policies, more effective funding, and stronger services for children and families.



HOW DOES ACNJ GIVE EVERY CHILD A CHANCE?

We Inform. ACNJ's well-researched policy reports and publications inform the public and policymakers to advance solutions. Most notably, our NJ KIDS COUNT project provides critical data on child well-being to state leaders, advocates, and community members, using data to drive decisions that lead to smarter choices to help more children.

We Advocate. ACNJ works closely with state and federal lawmakers and policymakers to bolster their understanding and response to the needs of children and families.

We Elevate Voices. Through ACNJ, thousands of parents, caregivers, and young people have had their concerns shared with elected officials and other influential leaders, giving them a say in the decisions that drive their future.



Visit the NJ Kids Count Data Dashboard at acnj.org

DONATE TODAY AT ACNJ.ORG!

A cornerstone of ACNJ's success is its independence. We are strictly non-partisan and accept no government funding, freeing us to focus on our sole mission — helping children. As a non-profit, ACNJ counts on support from individual donors, our foundation partners, and corporations to succeed in our efforts.

Sign up for ACNJ's monthly meetups to discuss policy topics impacting New Jersey's children and families.



acnj.org

Giving Every Child A Chance to Grow Up Safe, Healthy, and Educated
Advocates for Children of New Jersey

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ABBOTT COMMUNITY PROVIDERS FEEDBACK

PROGRAMS ARE UNABLE TO MEET ENROLLMENT CAPACITY

Programs currently have classrooms that are unable to meet enrollment capacity.

Programs currently have classrooms that are unable to meet enrollment capacity due to low enrollment or lack of certified teaching staff.

Programs currently have classrooms that are unable to meet enrollment capacity due to low enrollment or lack of certified teaching staff.



CHALLENGES FINDING AND RETAINING TEACHING STAFF

Programs currently have classrooms that are unable to meet enrollment capacity due to the challenge of finding certified educators.

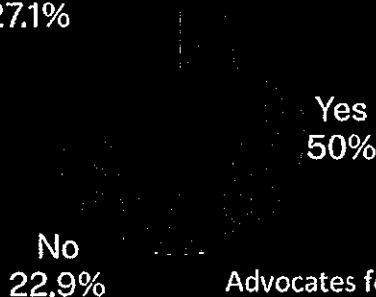
Programs have classrooms that are unable to meet enrollment capacity due to the challenge of finding certified educators to public school districts.

Programs' teaching staff have a Bachelor's Degree but are unable to meet enrollment capacity.

P-3 Teacher Attrition 6 OUT OF 10

Programs have classrooms that are unable to meet enrollment capacity due to teacher attrition to public school districts.

Unknown
27.1%



Teacher Pay Parity:

Are the salaries of your state-funded preschool teachers **higher** than the salaries of preschool teachers in the district's public preschool classrooms?

Community Providers' Comments

When we were looking for a Teacher, I met several candidates who were having difficulty passing the PRAXIS exam. I see that as a real obstacle to finding qualified Teachers.

Thank you for asking these important questions. While we have not yet closed a classroom, it is under strong consideration for the near future due to the continued loss of staff to the district and lack of qualified candidates to replace.

Collaborative preschool programs are continue to phase out due to preschool expansion in district schools. We can't compete with the salaries and ancillary resources available to the public schools.

I notice across the entire district collaborative sites are short allot of students. I am short ten students, and December 15th will make the third time my check will be cut I can not hold on much longer with this financial deficit. I am sure several collaborations are experiencing this same problem.

With the school district taking all the kids, we will be unable to stay open if we do not receive full payment from the state for our district classrooms that are not full.
Please help us more financially.
Everything has gone up.

Finding substitutes has literally been mission impossible. When teachers call out sick it's hard to cover them. We also have open positions that we cannot seem to fill. The positions are Family Worker and TA.

There are additional issues around the teacher certification process which impede Head Start's ability to retain teachers with a CEAS/CE. We are no longer permitted to provide mentorship; teachers must be enrolled in the Provisional Teacher Process by school districts and mentored by school district personnel. However if there is any dispute over payment of mentor fees, the district can choose not to enroll the staff in the program. The impact of this action is to draw Head Start teachers to become employees of school districts so that they can be ensured of enrollment in the Provisional Licensure program and the opportunity to obtain Standard certification within two years. There are also many issues with the enrollment process for Head Start children in collaborative classrooms. Currently, despite the State contract, districts have full control over the enrollment process and can determine which Head Start eligible families are permitted to attend Head Start programs and which are directed to in-district programs. Families are not permitted access to full Head Start services if the district needs to fill in-district classrooms with their slots, even if the family was sent to the district after being recruited and determined to be eligible by Head Start staff. Districts ultimately control payments to Head Start programs and a true conflict of interest exists regarding the use of state pre-k funds. Head Start is a bargain for the State due to federal support and lower per student costs for the State. However, districts can benefit from repurposing funds for Head Start children if those slots remain unfilled in Head Start classrooms.

One of our greatest challenges is salary parity and pension. We lose teachers to expansion districts because the expansion districts pay preschool teachers on the same scale as their in district teacher.

Our program has received a reduction in our monthly check from the district because of 7 vacant slots.

Over the years wanted started as a partnership with the school district has evolved into private providers unable to discuss the disparities with the fear of not being funded.

The school district continues to open up in district classes preschool classes and pouncing our parents to register with them instead of the collaboratives.

Our current budget cannot sustain the increases that have occurred over the past several years due to flat funded programming.

We need funding to support people going back to school. They cannot afford to pay for the alternate route classes.

Funding has been decreased so we are now laying off staff; re question 11 - because of the configuration of our building we do not have the physical capacity to increase classroom size even if we had the funds; a major concern for us currently is the high number of children with speech delays and ASD, but the lack of support from the district for staff in evaluating and/or caring for these children; funding programs based on enrollment makes it difficult to cover many fixed expenses.

My major concern is the new square footage requirement per classroom, which will impact my program.

Funding is always an issue... for staff, benefits, and ever-increasing costs to operate a school.

Due to shortage of student enrollment, NJDOE is cutting budgets for 2023-2024 school year in the middle of school year. Employees have signed contract, rents need to be paid and the preschool program needs to maintain high quality education. This budget cut needs to be stopped for this 2023-2024 school year.

The first time in approximately 5 years or more that program received a 1.5% budget increase. However, over \$16,000 of that increase was taken by the District to purchase new preschool curriculum.

Please address the salary differences, lack of pension for provider staff and access to medical group plans. Provider centers select, attract and hire qualified staff. We train, nurture, reward staff only for the District to USE us as their "hiring pool" and recruit our staff with offers of higher salaries.

Outreach by the district has been dismal. My provider site has done outreach but due to central registration the district keeps the children in their schools instead of sending them to the provider of choice. In addition, the district is not providing speech or other special services in provider sites so they keep those kids as well. It is clearly by design that districts do not do adequate outreach because they want to eliminate provider sites despite the Coalition's attempt at getting districts to not supplant community providers. My provide site teachers have been loyal for a long time so they are making great salaries. The small increases in the budget cannot bear those salaries. And as a slap in the face to Directors, the director salary scale has not increased. We have no funding for indirect costs like insurance, maintenance, accounting, and so on because the inadequate budget covers only salaries and benefits for classroom staff. As the director, I am working 10 hour days because I cannot afford support staff in this inadequate budget. It is not a zero based budget but a budget that the district thinks we should have as they keep wads of money for their own benefit. The notion of state funded preschool in a mixed delivery system in NJ is losing ground as districts still cannot appreciate our work. That is the real story, not one to be envied by the country. As for teachers, they are recruited by districts. I have advocated that there should be certification relief to help us get teachers. My BA teachers cannot pass the Praxis core because they have been out of school for so long. They pass the early childhood praxis but not the core. Higher education made a big mistake when they added the core praxis to early childhood. That was a BAD decision, maybe for \$, but it has assassinated plenty of prospective great preschool teachers' careers. There should be a forum for providers to tell the real story of how we manage state funded preschool on a shoestring. It may be a good lesson for districts to learn how to effectively manage state funding without milking the system as they do in the face of providers and consumers.



Giving Every Child A Chance

New Jersey's Public Preschool Program Provider Perspective Overview
Written by: Dr. Winifred Smith-Jenkins and
Reviewed and Approved by: Abbott Community Providers
Date: February 12, 2024

New Jersey's Public Preschool Program

ACNJ supports child care providers, mixed delivery, and the expansion of preschool. However, we are acutely aware of the impact that preschool expansion is having on local providers and understand that the need for high-quality, affordable, and accessible child care is paramount to the health and well-being of families, the economy, our communities, and society as a whole. We are committed to ensuring that the care and education for children 0 - 5 years of age can be found and delivered in ways that are most appropriate and convenient for all New Jersey families.

To provide the reader with the most comprehensive high-level overview of the preschool program, this brief is outlined in the following sections:

- Abbott/Preschool Expansion summary
- Preschool Education Contract School Year 2022-2023 - Excerpts
- Private Provider One Year Budget Planning Worksheet

ACNJ would like to continue this partnership with the Governor's office as we work to ensure that the continuum of care for children aged 0 - 5 years is not only maintained but strengthened.

Abbott/Preschool Expansion Summary

Purpose of Abbott: To bridge the disparities in academic success among children ages 3 and 4 from diverse economic, cultural, and linguistic backgrounds living in 28 and later expanded to 31 of NJ's poorest districts.

Purpose of preschool expansion: To enhance and expand the impact of the Abbott preschool program across New Jersey, which demonstrated significant advancements in children's readiness for kindergarten, boosted academic performance and overall success in school, and led to long-term improvements in the quality of life.

Abbott v. Burke Preschool Program Requirements

- Class size: 15 students
- Teaching staff: 1 certified teacher and 1 teacher assistant
- Developmentally appropriate curriculum

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- Adequate facilities
- Special education
- Bilingual education
- Transportation
- Health services

Additional requirements included:

- Free year-round wrap-around child care services to be covered by DOE and DHS: full-day (10 hours/day), full-year (July and August). DHS covered 4 hours of the year during the school year and 10 hours during the summer. DOE covered 6 hours for approximately 180 days/year.
- Financial assistance and other support services to help current and prospective teachers meet the new teacher qualifications
 - \$5,000 year for tuition costs to attain BA, or MA and teacher certification
 - \$50.00 per course for books or other incidental expenses
- Pay parity with public K-12 teachers (*Abbott v. Burke VII*). (Note: While this is still required, Abbott directors report that pay parity does not exist and continues to result in certified teachers leaving community provider sites for district positions.)

Abbott Implementation: School districts created space in their current school buildings and established partnerships with local child care centers and Head Start programs to build upon existing early care and education services in the community to ensure access for all students. This would become known as mixed delivery.

In 2007, 56% children were enrolled in private centers, 37% in school district classrooms, and 7% in Head Start centers.

As of 2020-2021 in Abbott and Preschool Expansion districts, 59% of preschoolers are enrolled in school district classrooms, and 41% are in private centers or Head Start centers. In Abbott districts, enrollment of children in private centers and Head Start has fallen from 63% in 2007 to 54% in 20-21 (State Preschool in a Mixed Delivery System).

Role and Responsibilities of New Jersey DHS (lead agency for child care, Head Start, and wrap-around care)

- Training support for teachers and family workers
- Administration of scholarship program
- Wrap-around funding
- Licensing requirements of child care centers (3A:52-1.1)

Role and Responsibilities of New Jersey DOE via Office of Early Childhood Education

- Implementing public preschool
- Development of Preschool Teaching and Early Learning Standards
- Development of Abbott Preschool Program Implementation Guidelines
- Assessment and evaluation tracking system of Abbott preschool program

- Development and training of teachers in the use of the Early Learning Assessment System for Preschool Instructional Coaches (PICs), Preschool Intervention and Referral Specialists (PIRS), etc

Role and Responsibilities of Local School New Jersey Districts

- Develop and form early childhood administrative and technical teams
 - Early Childhood Supervisor
 - Program oversight
 - Improvement plan
 - Budget
 - Professional development
 - Preschool Instructional Coach (PIC) (report to Early Childhood Supervisor)
 - Technical assistance to teachers to implement curriculum and improve teaching
 - Preschool Special Services and Language Education Teams
 - Special education
 - Bilingual services
 - Preschool Intervention and Referral Specialist (PIRS)
 - Social Worker for school districts
 - Family Workers for contracting Head Start and Child Care Centers (ratio: 1 family worker:45 students)

Benefits of the Abbott Preschool Program

- Linkage of community early care and education to the public education system
- Full-day, year-round educational opportunities for children furthest from opportunity, including children with special needs, those experiencing homelessness, undocumented, and extreme poverty
- Increased staff professional development and educational opportunities
- Reduced staff turnover at community child care programs
- Financial stability of community child care programs
- Increased program quality
- Availability of comprehensive services to children and their families
- District/community provider partnership
- Sharing of information and resources amongst community providers
- Access to the district substitute list
- Increased influx of NJ-certified P-3 teachers

Longstanding Challenges of the Abbott Preschool Program

- The administrative burden for community provider directors
- Budgeting
 - Per child spending allotment as it relates to staff compensation, learning material, and equipment

- Lack of funding for capital improvements
- Respect and collaboration between school districts and community providers
- Directors educational preparation
- Minimum and maximum class size of 15
- Wrap around funding
- Experienced teachers vs. new college-educated teachers
- School districts performing centralized registration

Preschool Education Contract School Year 2022-2023 - Excerpts

F. Staffing Standards

3. A substitute teacher and/or substitute teacher assistant shall be present and working in the preschool classroom for each day that a teacher and/or teacher assistant is absent, whether due to illness, required training, or approved personal leave. The credential of the substitute for a teacher shall, at a minimum, hold a county substitute credential requirements. Long-term substitute teachers for maternity or extended leave longer than three (3) weeks should have, at a minimum, a credential equivalent to the original classroom teacher. The qualification for a substitute teacher assistant shall, at a minimum, be a high school diploma. The District shall share its current substitute list with the Provider. The District shall work with the Provider in acquiring substitute certification for qualified staff.

Area of concern.

- Districts do not share substitute teacher lists with Providers/Head Start Programs.
- A substitute teacher is often needed for longer than three weeks, especially if covering a maternity leave.

G. Family Workers

The Provider shall have one (1) full time family worker, as required by *N.J.A.C. 6A:13A-4.6 (b) 2I-iv*, in place for every 75 children being served by the Provider who shall:...

For Abbott, isn't the ruling 1:45? This is an area of concern since increasing the ratio of family workers to 75 families does not allow for the level of support, goal setting, follow-up, and referrals needed by families serviced by Providers and Head Start programs.

IV District/Provider Coordination, Cooperation

E. The District shall make available a substitute teacher list to the Provider.

Area of concern. As stated above this is not happening

H. The District shall make available health and social service resources to the Provider.

Area of concern. Most Districts have a Social Worker to oversee family and community engagement, and Nurse(s) to support providers. Head Start programs are required to have Social Services and Health personnel on staff.

I. The District and Provider are jointly responsible for the recruitment of children.

Comment: In most places, this is not happening. The centralized registration system allows for an imbalance of power. Abbott providers report that the districts are filling their in-district classrooms, discouraging parents from enrolling their children in Head Start or community

provider sites, or only allowing community providers to provide preschool services to 3-year-olds, while in-district providing preschool services to 3 and 4-year-olds.

K. Eligibility for contract renewal is based on each contracting Provider classroom maintaining a minimum reliable score of {all districts must insert a 4.5 unless discussion with DOE results in a different score entry} on the Early Childhood Rating Scale, Third Edition (ECERS-3). The ECERS-3 must be administered by the District by an individual deemed reliable by the tool developer in each classroom no less than once every three (3) years.

Comment: Some community providers report that the District does not share the ECERS-3 scores with them, thus not allowing them to work with classroom teachers to improve their scores. This also creates a power imbalance. The district is responsible for funding, assessing and closing programs.

M. The District shall provide financial management assistance to the Provider in the development and monitoring of the Provider's annual budget and implementation of the preschool program.

Comments: The provider budget is completed around November of the current fiscal year for the upcoming school year. Funding shortfalls due to the lack of enrollment during the school year cannot be absorbed when operating from a budget that has been prepared based on contracted slots and districts' pay based on actual enrollment!

N. The District shall Provide a copy of its work schedule for all teaching staff to the provider to allow the provider to ensure that the work schedule established for the teaching staff in the contracted preschool classrooms is comparable to the work schedule provided by the district for both teaching staff contract hours and teaching staff student contact hours and is made available to all affected teaching staff.

Area of concern.

O. The district shall share with the provider the plan for transition initiatives from program entry to kindergarten through grade 3.

Area of concern.

R. 3. Districts must ensure the immediate enrollment of children experiencing homelessness, even if they lack documents typically required for enrollment, including birth certificates, health records, and proof of residency. Immediate enrollment is one of the core protections of the McKinney-Vento Act (42 U.S.C. §11432(g)(3)(C)), (N.J.A.C. 6A:17-2.5(g)).

Area of concern. Some districts are not following the McKinney-Vento Act when accepting children identified as Homeless in Provider/Head Start programs.

R.4. Ongoing Communications collaboration and coordination between provider and District, including teachers, district nurses, social workers, McKinney-Vento regional coordinator / District homeless liaisons, and health staff members are vital in order to

increase the enrollment of children and the provision of services to them and their families

Area of concern.

R. 5. In accordance with McKinney-Vento and New Jersey Administrative Code, districts must provide transportation to ensure children experiencing homelessness have access to their educational day.

Area of concern. I have not experienced any districts providing transportation for Homeless children staying outside of district boundaries or needing transportation within the district to access Provider/Head Start Center.

VII. Compensation

- A. The maximum number of children for which the Provider will be compensated is {insert number of contract slots} for the 2023-2024 school year. The District shall pay monthly to the Provider one-tenth (1/10) of the provider's approved 2023-2024 budget planning document with first payment to be issued by the District by August 1, subject to revisions pursuant to Subsection VII(C), (D), (G), & (H)(4). Any revisions made pursuant to Subsection VII(C), (D), (G), & (H)(4) shall be made based on the provider's average daily enrollment, not average daily attendance. The district-approved 2023-2024 budget planning document is attached as Attachment B.

Comment: Over the summer, providers are required to continue coverage for their mortgage/rent, utilities, employee benefits, and salaries for 12-month employees. The first payment, on August 1st, is generally not enough to cover all the expenses previously mentioned and all the additional expenses that occur once school is in session. Additionally, any unpaid expenses that incur a late charge due to this payment schedule are not covered expenses under the budget. Centers that use bank credit lines (to pay DOE expenses) during summer must pay interest/bank fees that are not covered under the DOE.

B. N/A

- C. From October through June, in the event the average monthly enrollment for the month is less than fourteen-fifteenths (14/15) of the number of contract slots, the amount due the following month under the contract shall equal the monthly amount multiplied by the average monthly enrollment for the month, divided by the number of contract slots.

Comment: There is no way to predict what will happen throughout the year with families who have traditionally been under-resourced. However, the financial burden falls on the community provider even though the school district has been given funding from the state. In-district classrooms do not lose funding if their enrollment is below 14.

D. N/A

E. N/A

F. N/A

G. The District shall make ten (10) monthly payments to the Provider in the sum of one-tenth (1/10) of the revenues provided under the Provider's District-approved 2023-2024 budget planning document as set forth in A above.

Comment: Please see the comment above. It is the Providers/Head Start programs' preference to have 11 payments instead of 10 each year.

H. Except for September 1, payment shall be made each month following receipt and verification of the Provider's enrollment for the previous month. The enrollment report is to be submitted to the District on the last business day of each month. Monthly payments will not be made until the enrollment report is received and reviewed by the District. The District will review the enrollment report within one week of receiving the report. In addition, the final payment, which is to be adjusted in accordance with C and F above and based on the Provider's enrollment reports for May and June and Quarterly Expenditure Reports including receipts and supporting documentation, pursuant to H below, shall be issued on or before August 1, 2024.

Comment: Withholding the June payment results in funds needing to be withheld during the school year in an effort to cover expenses incurred during the month of June. This also means that funding is not spent as projected because providers must be consistently aware of funding cuts due to enrollment and the withholding of a portion of their June check until all supporting documents are reviewed by the district.

I.

5. Districts may not withhold funding at any time during the contract period without meeting with the Provider. If the issue of payment is not resolved locally, an appeal may be made to the Commissioner pursuant to N.J.A.C. 6A:3, Controversies and Disputes.

Area of concern. Most districts do withhold funds from Providers/Head Start programs either by adjusting based on actual enrollment and/or by keeping a percentage of the budget payments in case there are any disallowances when the final expenditure reports are submitted!

X Renewal of Non-Renewal of a Preschool Program Contract

2.a.iii. Available in-District classroom space: For a non-renewal based on available in-District space, the following requirements must be met:

- (1) The new configuration must meet the elements of high quality described in N.J.A.C. 6A:13A and educational facilities standards for preschool described in N.J.A.C. 6A:26; and
- (2) It must be economically more efficient to serve the preschool children in the district space, after considering all costs associated with providing the preschool program; and
- (3) The quality of the current in-District preschool program must meet an average ECERS-3 score of at least four point five (4.5).

Area of concern. Districts have reduced the number of contracted classrooms/slots in Provider/Head Start classrooms for reasons other than the above-stated.

Private Provider One-Year Budget Planning Worksheet

In this example, ABC Child Care Center has 5 district classrooms and is contracted for 75 students and no other students are enrolled.

2023-24 Private Provider One-Year Budget Planning Worksheet	
Classrooms Serving Contracted Eligible Children:	5
Contracted Eligible Children:	75
Other Students In Classrooms with Contracted Eligible Children:	
All Other Classrooms:	
All Other Children:	
District School Calendar Days:	183
DOE Share of Annual Costs:	75.92%

District Name:	
Provider Name:	
Program Type:	Other Private Provider
Non-profit Status:	Center/parent company is for-profit
Facility Ownership:	Site facilities leased from related party
DCF License Number:	

ADMINISTRATIVE SUPPORT AND INDIRECT COSTS					
SUPPORT COSTS					
Director Salary	1.00	\$79,503	75.92%	100.00%	\$57,951
Director Benefits	1.00	\$520	75.92%	100.00%	\$393
Clerical Salary	1.00	\$48,951	75.92%	100.00%	\$37,063
Clerical Benefits	1.00	\$13,800	75.92%	100.00%	\$10,577
Custodian Salary	1.00	\$29,837	75.92%	100.00%	\$22,952
Custodian Benefits	1.00	\$550	75.92%	100.00%	\$418
Security Guard Salary	1.00	\$0	75.92%	100.00%	\$0
Security Guard Benefits	1.00	\$0	75.92%	100.00%	\$0
Social Security (6.20%)					\$7,451
Medicare (1.45%)					\$1,742
Unemployment (2.80%)					\$3,365
Disability (0.50%)					\$601
INDIRECT COSTS – SPACE COSTS					
Rent, Mortgage, Other Space Costs		\$347,751	75.92%	100.00%	\$264,007
INDIRECT COSTS – ALL OTHER ALLOWABLE INDIRECT					
Office Equipment >\$2000 and Repair		\$5,432	75.92%	100.00%	\$4,124
Office Materials and Supplies		\$15,535	75.92%	100.00%	\$11,794
Food-Related Paper Supplies		\$42	75.92%	100.00%	\$32
Cleaning Supplies		\$6,326	75.92%	100.00%	\$4,803
Food for Meetings		\$101	75.92%	100.00%	\$77
Building/Grounds Maintenance/Repair		\$58,959	75.92%	100.00%	\$44,761
Utilities		\$34,665	75.92%	100.00%	\$26,317
Telecommunications Services		\$18,747	75.92%	100.00%	\$14,232
Security		\$1,621	75.92%	100.00%	\$1,231
Insurance		\$43,626	75.92%	100.00%	\$33,120
Accounting Fees		\$8,947	75.92%	100.00%	\$6,792
Payroll Preparation Fees		\$4,672	75.92%	100.00%	\$3,547
Advertising		\$2,832	75.92%	100.00%	\$2,150
Staff Transportation		\$0	75.92%	100.00%	\$0
Profit, If Applicable (Max of 2.5% of Ed Costs)		\$17,376	100.00%	100.00%	\$17,376
Subtotal of Above Administrative Support and Indirect Costs					\$578,983

If this program only enrolled public preschool students from this school district, the school district would cover 75.92% or \$578,983 of their indirect cost. The other 24.08% of their cost would need to be covered by wrap around, which is before and after school care plus summer.

Below is what happens if this program uses its two available classrooms to enroll 24 infants/toddlers.

2023-24 Private Provider One-Year Budget Planning Worksheet			
Classrooms Serving Contracted Eligible Children:	5	District Name:	
Contracted Eligible Children:	75	Provider Name:	
Other Students in Classrooms with Contracted Eligible Child		Program Type:	Other Private Provider
All Other Classrooms:	2	Non-profit Status:	Center/parent company is for-profit
All Other Children:	24	Facility Ownership:	Site facilities leased from related party
		DCF License Number:	
District School Calendar Days:	186		
DOE Share of Annual Costs:	75.92%		

Expense	FTE	Total Cost	DOE Share of Annual Costs	DOE Share of Center-Wide Costs	Total Cost
ADMINISTRATIVE SUPPORT AND INDIRECT COSTS					
SUPPORT COSTS					
Director Salary	1.00	\$79,503	75.92%	00.00%	\$88,457
Director Benefits	1.00	\$520	75.92%	00.00%	\$599
Clerical Salary	1.00	\$48,951	75.92%	00.00%	\$37,663
Clerical Benefits	1.00	\$13,800	75.92%	75.76%	\$10,337
Custodian Salary	1.00	\$29,837	75.92%	75.76%	\$11,760
Custodian Benefits	1.00	\$550	75.92%	75.76%	\$616
Security Guard Salary	1.00	\$0	75.92%	75.76%	\$0
Security Guard Benefits	1.00	\$0	75.92%	75.76%	\$0
Social Security (6.20%)					\$7,110
Medicare (1.45%)					\$1,663
Unemployment (2.80%)					\$3,211
Disability (0.50%)					\$573

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Expense	FTE	Total Cost	DOE Share of Annual Costs	DOE Share of Center-Wide Costs	Total Cost
INDIRECT COSTS -- SPACE COSTS					
Rent, Mortgage, Other Space Costs		\$347,751	75.92%	75.76%	\$200,005

Expense	FTE	Total Cost	DOE Share of Annual Costs	DOE Share of Center-Wide Costs	Total Cost
INDIRECT COSTS -- ALL OTHER ALLOWABLE INDIRECT					
Office Equipment >\$2000 and Repair		\$5,432	75.92%	75.76%	\$3,124
Office Materials and Supplies		\$15,535	75.92%	75.76%	\$8,935
Food-Related Paper Supplies		\$42	75.92%	75.76%	\$24
Cleaning Supplies		\$6,326	75.92%	75.76%	\$3,638
Food for Meetings		\$101	75.92%	75.76%	\$58
Building/Grounds Maintenance/Repair		\$58,959	75.92%	75.76%	\$33,910
Utilities		\$34,665	75.92%	75.76%	\$19,937
Telecommunications Services		\$18,747	75.92%	75.76%	\$10,782
Security		\$1,621	75.92%	75.76%	\$932
Insurance		\$43,626	75.92%	75.76%	\$25,091
Accounting Fees		\$8,947	75.92%	75.76%	\$5,146
Payroll Preparation Fees		\$4,672	75.92%	75.76%	\$2,687
Advertising		\$2,832	75.92%	75.76%	\$1,629
Staff Transportation		\$0	75.92%	75.76%	\$0
Profit, If Applicable (Max of 2.5% of Ed Costs)		\$17,376	100.00%	100.00%	\$17,376
Subtotal of Above Administrative Support and Indirect Costs					\$469,065

Since this program has public preschool students from this school district and 24 infants and toddlers, the school district only covers 75.76% of the 75.92% or \$469,065, as opposed to the \$578,983 of the indirect cost that was being covered if there were only 5 public preschool programs. Therefore, the program now needs to cover an additional \$109,918, including the remaining 24.08% that needs to be covered.

This is one major reason why directors have decided to close down infant and toddler programs because there was no real benefit but a significant financial burden.

Another issue with the community provider budget is the staff cost. The more experienced the teaching staff, the higher the amount that needs to be allotted to the teacher budget item line, and the less that is available for the indirect cost. As a result, community providers depend on inexperienced staff to help lower that budget line item cost.

Director Salary Schedule

Minimum Salary: All center directors must accurately complete the section below. First, under Educational Attainment, detail the highest degree(s) held (including area(s) of concentration, as well as any professional certificates held. Second, state the appropriate Tier level (if the drop-down is based on the Educational Requirements listed below. Third, enter Years of Professional Experience (defined as the number years served as a preschool director). The total number of classrooms (including those without contracted preschoolers) will automatically enter based on information provided on the 2023-24 Private Provider One-Year Planning Budget Worksheet. All of this information should be used to determine the recommended full-time full-year salary for the director as per the salary scale below.

Master's Degree, Director's Academy with 15 Credit Hours of Business Administration/Accounting

Tier 4*

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Educational Requirements

Year 1* Director's Academy and/or 15 Credit Hours Early Childhood Education, Business Administration/Accounting, or Education Administration.

Year 2* Bachelor's Degree in Early Childhood Education, Business Administration/Accounting, Education Administration, or Administration/Accounting, Education Administration or Related Field, OR Bachelor's Degree in Business Administration/Accounting, Education Administration or Related Field supplemented by 15 Credit Hours of Early Childhood Education, OR Graduate Degree or higher in Education supplemented by 15 Credit Hours of Business Administration/Accounting, Education Administration or Related Field.

Year 3* Graduate Degree or higher with specialization in Early Childhood Education supplemented by 15 Credit Hours of Business Administration/Accounting, Education Administration or Related Field.

Year 4* Graduate Degree or higher with specialization in Early Childhood Education supplemented by 15 Credit Hours of Business Administration/Accounting, Education Administration or Related Field.

***All credit hours must be obtained from an accredited college or university.**

Classroom	Classroom	Years	Salary			
			Year 1	Year 2	Year 3	Year 4
0-5 Years	1	1	\$7,789	\$12,222	\$14,238	\$18,201
	2	2	\$9,466	\$16,282	\$17,342	\$19,299
	3	3	\$11,220	\$20,574	\$21,557	\$23,244
	4	4	\$12,922	\$24,819	\$25,772	\$27,201
	5	5	\$14,724	\$29,015	\$29,974	\$31,251
	6	6	\$16,526	\$33,211	\$34,173	\$35,301
	7	7	\$18,328	\$37,407	\$38,372	\$39,351
	8-9	8-9	\$20,130	\$41,603	\$42,571	\$43,401
	10-11	10-11	\$21,932	\$45,799	\$46,697	\$47,521
	12-14	12-14	\$23,734	\$49,995	\$50,795	\$51,441
15 or more	15 or more	\$25,536	\$54,191	\$55,693	\$56,561	
6-10 Years	1	1	\$9,466	\$12,222	\$14,238	\$18,201
	2	2	\$11,220	\$16,282	\$17,342	\$19,299
	3	3	\$12,922	\$20,574	\$21,557	\$23,244
	4	4	\$14,724	\$24,819	\$25,772	\$27,201
	5	5	\$16,526	\$29,015	\$29,974	\$31,251
	6	6	\$18,328	\$33,211	\$34,173	\$35,301
	7	7	\$20,130	\$37,407	\$38,372	\$39,351
	8-9	8-9	\$21,932	\$41,603	\$42,571	\$43,401
	10-11	10-11	\$23,734	\$45,799	\$46,697	\$47,521
	12-14	12-14	\$25,536	\$49,995	\$50,795	\$51,441
15 or more	15 or more	\$27,338	\$54,191	\$55,693	\$56,561	
11 and Above	1	1	\$11,220	\$16,282	\$17,342	\$19,299
	2	2	\$12,922	\$20,574	\$21,557	\$23,244
	3	3	\$14,724	\$24,819	\$25,772	\$27,201
	4	4	\$16,526	\$29,015	\$29,974	\$31,251
	5	5	\$18,328	\$33,211	\$34,173	\$35,301
	6	6	\$20,130	\$37,407	\$38,372	\$39,351
	7	7	\$21,932	\$41,603	\$42,571	\$43,401
	8-9	8-9	\$23,734	\$45,799	\$46,697	\$47,521
	10-11	10-11	\$25,536	\$49,995	\$50,795	\$51,441
	12-14	12-14	\$27,338	\$54,191	\$55,693	\$56,561

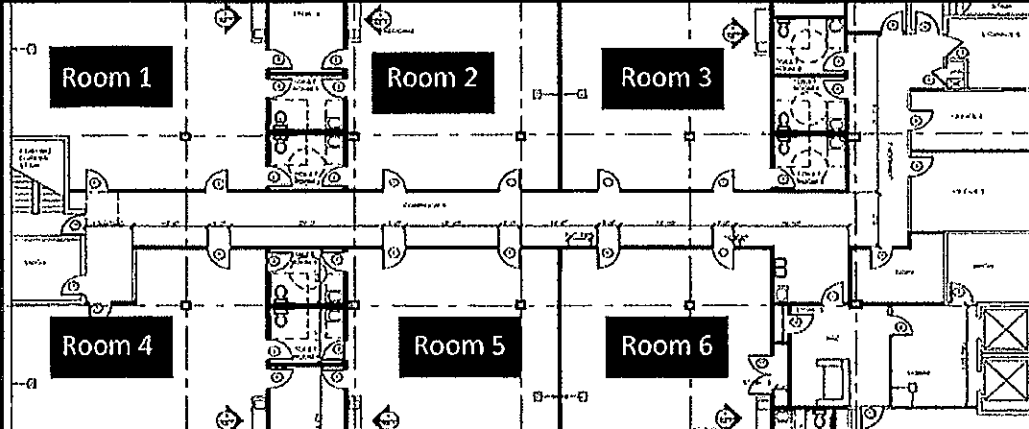
Finally, unlike their district counterparts, principals, directors' salaries are fixed based on their years of experience as directors, education level, and the number of classrooms. Directors have

seen no real increase in the Director Salary Scale for more than 12 years, and a cost of living increase is at the discretion of the school district.

Licensing Capacity v. Actual Availability

SAMPLE CHILD CARE FLOOR PLAN Licensing Capacity: 150

(Each room is 875 sq. ft. Licensing requires 35 sq. ft. per child, so the capacity per room is 25 students.)



Licensing Capacity vs. Actual Availability

Child care licensing capacity refers to the maximum number of children that a child care center is licensed to accommodate, based on regulatory standards. Actual availability for students may differ. Some reasons include but are not limited to, staffing, resources, licensing, and DOE regulations.

Calculating Licensing Capacity

The total licensing capacity is calculated by dividing the classroom square footage by 35, representing the allowable square footage per child according to licensing regulations. This calculation gives you the capacity for each room. To determine the facility's total licensing capacity, sum up all the rooms' capacities.

$$\text{Total Licensing Capacity} = (\text{Classroom 1 Square Footage} \div 35) + (\text{Classroom 2 Square Footage} \div 35) + \dots + (\text{Classroom N Square Footage} \div 35)$$

Using the above floor plan as our example, here are a couple of different scenarios to explain licensing capacity and actual availability:

Scenario #1: If this entire floor collaborates with the local school district to offer public preschool from September to June, 8:30 a.m. to 3:00 p.m., the actual availability at this center is 90.

Scenario #2: Regardless of classroom size, if Room #3 and Room #6 are designated for students under 18 months, licensing regulations limit the maximum group size to 12. If Room #2 and Room #5 are designated for students aged 18 months to 4 years, licensing regulations limit the maximum group size to 20. Therefore, the total availability for students at this center is 114.

Scenario #3: In June 2020, when child care centers were allowed to reopen but class sizes were limited, the provider requested the conference room to be added as a classroom, increasing the licensing capacity to 165. This is one reason why licensing capacity may have increased at child care centers during 2020.

Department of Education Requirements for Preschool Expansion Aid

- Preschool classrooms must have 950 sq. ft. of instructional space.
- Full school day (six hours)
- Maximum class size of 15

DCF Child Care Licensing Regulations Staff/Child Ratios & Grouping of Children

Staff/Child Ratios		Grouping of Children	
Ages	Staff/Child Ratio	Ages	Maximum Group Size*
Under 18 months	1:4	0 to 18 months	12
18 months up to 2 1/2 years	1:6	18 months to 4 years	20
2 1/2 years up to 4 years	1:10	5 years and older	30
4 years	1:12		
5 years and older	1:15		

*Except during meals, naptime, outdoor activities, specially scheduled events (for example, parties, community speakers, films, etc.), and daily information sharing sessions (for example, "circle time")



Advocates for Children of New Jersey - SFY25 Budget Proposal

The Request

Funding to support the child care industry through investment in the child care workforce to strengthen the system, increase access for families, and ensure quality care and education for children.

- Increased wages for child care employees
- Establish a pilot program to provide eligibility for child care services to qualifying child care workers.

Background

New Jersey's child care system is increasingly unstable. A lack of accessibility, staffing shortages, and affordability challenges are creating barriers for families, hindering parents' ability to participate in the workforce and limiting children's access to early care and education. Addressing this crisis requires investment in the child care infrastructure to sustain a high-quality, affordable child care system.

Statewide, more than 207,000 children under age three have working parents who may need some form of child care. However, child care is in short supply with only enough space to serve about a third of the children that need care. The primary reason centers report serving fewer children is a lack of staff. Therefore, adequate funding is needed to enable providers to offer competitive wages and benefits to attract and retain skilled professionals based on the complexity of the work and the societal benefit it provides.

Most child care providers generate just enough revenue to keep pace with minimum wage. Consequently, the average child care worker earns approximately \$15 hourly or \$32,000 annually. This impacts the sector's ability to compete with other industries like retail, which offer higher wages ranging between at least \$17 and \$20 hourly, for less demanding roles. These disparities limit what providers can offer and deter qualified professionals from remaining in the early care and education field.

Quantifying the Request

The governor's proposed SFY25 Budget includes a \$3.6 million increase in subsidy funding for cost of living adjustments given minimum wage increases. However, this is not enough to support the overall need and would only impact the subsidy program which does not impact all providers.

To adequately compensate child care employees, the requested funding would be used to increase wages by \$5 per hour or provide an additional \$200 per week to each worker. With an estimated 37,000 child care employees in New Jersey as of 2020, a minimum allocation of \$400 million is needed to ensure child care employees across various roles within the sector are better compensated.

Additionally, a \$50 million allocation for employee benefits is a vital investment in the workforce. The provision of benefits, like child care and health care, are components of compensation which most providers cannot afford to offer their staff. The requested funding would be used to establish a pilot program to provide child care expenses to qualifying educators and staff who work a minimum of 30 hours per week in licensed centers or registered family child care homes that are enrolled in or rated by Grow NJ Kids.

We respectfully urge you to support funding for child care in the SFY25 Budget, through investment in the workforce to enhance early care and education, support working families, and secure a prosperous future for our children and economy.

For additional information about public funding for private businesses that render essential services to the public, please see the appendix.

Appendix:

Public Funding for Private, Individually Owned Business

There is precedent for the provision of public support for private, individually owned businesses, including child care providers. Child care providers render an essential service which, if inaccessible, impacts the overall economy. In recognizing the need to support the industry, in 2021 the DC Council Invested public funding in the Early Childhood Educator Pay Equity Fund to provide direct payments to early childhood educators based on staff type and employment status.

Under the program, eligible early childhood educators received one payment of up to \$14,000 and up to four payments of up to \$3,500 each in FY22 and FY23 respectively. In total, more than \$80 million was distributed to over 4,000 educators between October 2022 and September 2023. The program was established through Birth-to-Three for All DC, a law which sought to implement various changes to early childhood education including ensuring early childhood educators receive compensation equivalent to public-school teachers with similar education and experience.

Additionally, national efforts to support vital services rendered by privately owned businesses includes investment in the farming industry. Historically, the federal government has consistently backed farmers to strengthen the agricultural sector, a cornerstone of providing essential resources such as food and nutrition to US residents.



Giving Every Child A Chance

TO: Members of the Senate Budget Committee

FROM: Shadaya Bennett, Senior Legislative Analyst, Advocates for Children of New Jersey

DATE: March 19, 2024

RE: SFY25 Budget

Advocates for Children of New Jersey (ACNJ) appreciates the opportunity to provide comments on the Fiscal Year 2025 State Budget.

ACNJ commends the Administration and the Legislature for continued investments in programs that benefit New Jersey's children and families. From the state child tax credit, investment in the pre-k through 12 system, funding for programs that mitigate food insecurity amongst children, and support for the statewide home visiting program and other maternal health initiatives – we can all agree that New Jersey remains steadfast in its commitment to investing in the development and success of our youngest residents.

While our values are reflected in policy provisions aimed at making New Jersey the best place to have and raise a child, it is crucial to continue building on these efforts by strategically investing in key initiatives to benefit current and future generations.

Child care: New Jersey's child care system is in a long-standing crisis which can be characterized by a lack of accessibility, staffing shortages, and affordability challenges. These factors make access to affordable child care more difficult which hinders parents' participation in the workforce, increases financial strain on families, and, most importantly, limits children's access to early care and education. To combat these issues, strengthen the system, and ensure children and families have access to quality options – we request the Legislature's consideration in prioritizing investments in the child care infrastructure with a specific focus on supporting the workforce.

Governor Murphy's proposed budget includes \$3.6 million toward wages for child care providers. Provider subsidy payments will also continue to be based on enrollment, not attendance, through the end of 2024. Although these measures are steps in the right direction, additional investments are essential to stabilize the system long-term. We also recognize that sustaining the child care system requires efforts at both the federal and state levels.

Most child care providers generate just enough revenue to keep pace with minimum wage. This limits what they can offer staff and often discourages qualified individuals from remaining in or entering the field. The average child care worker in New Jersey makes about \$32,000/yr. which are poverty wages in our state. Inadequate salaries and benefits hinder recruitment and retention efforts. Additionally, according to a recent survey conducted by the National Association for the Education of Young Children, 25 percent of early education professionals say their economic situation has worsened within the last

29x

year and 42 percent say they are more burned out than they were this time last year. Worsening economic conditions and increased burnout among early education professionals contribute to high turnover rates and staffing shortages which compromise quality. Ultimately, the consequences of this issue extend to children, families and our economy.

Child care providers and early education professionals not only nurture and educate infants and toddlers, they also play a crucial role in New Jersey's economic ecosystem. Without this essential service which extends beyond traditional school hours and days, parents, most often women, are unable to engage in the workforce. Without a functioning workforce, businesses struggle to operate which impacts the overall economy. Therefore, whether or not we agree with the means, the end remains the same – child care is everyone's business.

We urge you to prioritize investment in the child care infrastructure and support its workforce – to promote quality early care and education, support working families, and ensure a prosperous future for our children.

ACNJ would also like to highlight several critical investments in the proposed budget which we hope are supported in the final SFY25 budget:

Child Tax Credit: ACNJ fully supports the continuation of the state child tax. This is an essential investment in the wellbeing of New Jersey children and families which helps to reduce the burden of poverty. By providing direct financial relief to families, the child tax credit helps offset costs ensuring that children's basic needs are met. The provision of additional income also assists families with the purchase of essential household items and other needs, including child care.

Preschool Expansion: ACNJ is pleased to see continued investment in early education through preschool expansion efforts. A strong early care and education system that includes high-quality preschool provides young children with the educational foundation they need to be successful in kindergarten and beyond. The proposed SFY25 budget includes \$124 million in preschool aid to expand access to free preschool for additional 3- and 4-year olds and support existing programs.

Food Insecurity and Nutrition Assistance: ACNJ commends the Administration and the Legislature for prioritizing programs that address food insecurity and support nutrition assistance. These supports will impact children and families who do not have access to sufficient food and assist low-income families. The proposed SFY25 budget allocates \$30 million to expand access to free school meals, extending coverage to children in families earning under 225 percent of the federal poverty level. Additionally, the proposed budget includes \$2.8 million in State funding for the Summer Electronic Benefits Transfer (EBT) Program and continued funding support for minimum Supplemental Nutrition Assistance Program (SNAP) benefits.

Healthcare and Family Services: ACNJ is pleased to see continued investment in maternal and children's health. These initiatives ensure children and families have access to healthcare and related supports which promotes overall well-being through consistent preventive care. The Governor's proposed budget includes funding for the Statewide Universal Newborn Home Nurse Visitation Program including \$4 million to expand Family Connects NJ to additional counties. Additionally, we commend investments in expanding healthcare coverage to more children through the Cover All Kids program and increased access to mental health supports through the NJ Statewide Student Support Services Network.



Giving Every Child A Chance

TO: Members of the Senate Education Committee

FROM: Shadaya Bennett, Senior Legislative Analyst, Advocates for Children of New Jersey

DATE: June 3, 2024

RE: Preschool Mixed Delivery Systems

Advocates for Children of New Jersey (ACNJ) appreciates the opportunity to provide comments on New Jersey's preschool mixed delivery system.

ACNJ is committed to ensuring all children have access to high-quality care and education in safe and enriching environments. We know that access to high-quality early care and education supports healthy development and provides a pathway to social, emotional, and academic success.

New Jersey has long been recognized as a national leader in providing high-quality preschool education. ACNJ has been at the forefront of those efforts. Over twenty years ago, ACNJ's former President and CEO, Cecilia Zalkind, played a pivotal role in advocating before the State Supreme Court for high-quality standards in New Jersey's state-funded preschool programs. Her efforts, along with the Early Care Coalition, were instrumental in initiating the *Abbott v. Burke* decision, which mandated public preschool in 31 of the state's most economically disadvantaged districts. This decision laid the foundation for New Jersey's nationally recognized mixed-delivery preschool model and paved the way for preschool expansion.

In more recent years, ACNJ has also been at the forefront of raising awareness about preschool expansion and helping community providers and parents navigate related processes. These efforts include partnerships with the National Institute of Early Education Research (NIEER) and the Department of Human Services to host educational webinars about the benefits of expansion and how providers can participate. ACNJ, in collaboration with NIEER, also created a roadmap on starting preschool programs for districts, providers, and parents. We have also acted as a liaison between community providers, school districts, and the Department of Education to promote collaboration and equip stakeholders with the necessary tools to serve children effectively.

As New Jersey expands access to free public preschool, ACNJ elevates the need for a robust system that supports the continuum of care and education for all children birth to age five. While we fully support universal pre-K, we also recognize that the current process has created unintended consequences which negatively impact our already fragile child care system. Therefore, New Jersey must be deliberate in structuring and expanding preschool delivery while considering the sustainability of the child care infrastructure to prevent reducing the availability of infant and toddler slots, which could lead to child care center closures and restricted access for families statewide.

31x

To address structural issues and ensure equitable access for children and families, we recommend that New Jersey adopt a strong, well-conceived mixed-delivery system. This would include creating sustainable partnerships between school districts and community providers; aligning classroom size requirements with Department of Children and Families licensing standards; and supporting the workforce through provisions, such as, pay parity between in district and provider site teachers. Additionally, to incentivize school districts to partner with community providers, it is recommended that a certain percentage of funding for new preschool expansion aid be designated for those that commit to partnering with providers in the community through mixed-delivery. These are all examples of measures that would mitigate barriers for community providers who seek to participate in the statewide preschool program and would foster a more inclusive and effective early care and education landscape.

While we all recognize that a mixed-delivery system is essential to achieving New Jersey's mission of providing high-quality preschool at no cost to families, it is imperative to preserve community programs already offering vital supports to the same population. Child care is everyone's business. Child care providers operate small businesses that provide a public good. Child care is the system by which our youngest residents are nurtured and educated outside of the home and it plays a crucial role in our state's economic ecosystem. Therefore, supporting its infrastructure within our broader education system through a solid mixed-delivery system is vital.

Thank you for your time and consideration. Should you have any questions or need additional information, please feel free to reach me at sbennett@acnj.org.



Giving Every Child A Chance

To: Senate Education Committee
From: Winifred Smith-Jenkins, Director of Early Learning for Policy and Advocacy
Date: June 3, 2024
Re: Preschool Mixed Delivery System

Thank you so much for holding this hearing on mixed delivery and for allowing me to participate today. My name is Winifred Smith-Jenkins, and I am the Director of Early Learning for Policy and Advocacy at ACNJ.

Before working at ACNJ, I spent the last twenty years as a child care director for our family-owned and operated small businesses. As the senior director, I oversaw both our private child care and publicly funded preschool programs.

Last year, I transitioned from the child care sector to bring my lived experience full-time into the world of advocacy and policy. I made this change because I truly believe our child care system in New Jersey is on the verge of collapse.

I have always been concerned about the sustainability of child care. Even before the pandemic, child care owners and directors were worried about razor-thin operating margins, high staff turnover, and unreliable funding streams.

Post-pandemic, we face a new set of challenges in addition to the existing ones. These include staffing shortages that limit enrollment, difficulty finding affordable liability insurance, students with complex needs that exceed the training of classroom teachers, rising staffing and operating expenses, and uncertainties surrounding publicly funded preschool programs.

One of Governor Murphy's legacies will be his commitment, backed by funding, to bring universal high-quality preschool to as many communities as possible. ACNJ is a proud supporter of preschool expansion, especially when delivered through a mixed delivery model. We commend Governor Murphy for believing in and financially supporting the benefits of early care and education.

Therefore, my role in today's hearing is to highlight recommendations that address the barriers to collaboration and challenges faced by community providers currently collaborating with their local school districts to provide publicly funded preschool, those who desire to collaborate, and those who have since terminated their collaboration.

Barriers to Collaboration

Recommendation 1: Align the Department of Education's square footage requirements for community providers with the Department of Children and Families Office of Licensing guidelines, which govern child care for all children aged 0-13, including 3- and 4-year-olds. This change would make New Jersey consistent with the rest of the country, as most states use their child care licensing square footage requirements to support the mixed delivery model of public preschool at community provider sites. Currently, the DOE requires 63.3 square feet per child of instructional space for public preschool, which is significantly higher than the NJ DCF requirement of 35 square feet per child for child care centers. Notably, when child care centers go through New Jersey's quality rating and improvement system (QRIS), Grow NJ Kids, and receive 3, 4, or 5 stars, they are considered high-quality programs, even with the 35 square foot per child licensing requirement.

According to the Fiscal Year 2024 Report to the New Jersey Legislature on Preschool Expansion and Mixed Delivery, more than 62% of child care provider classrooms are below 700 square feet. This means most child care providers cannot collaborate with their local school districts and are at risk of losing their businesses, further reducing the availability of infant and toddler care in our state. New Jersey already provides for different requirements on related issues, such as class size, within the school districts. The approach we are advocating is similar to N.J. Admin. Code 6A:13-3.1, which restricts class size for high-poverty school districts but has a different class size requirement for all other school districts. This change will immediately allow more providers to participate in the public preschool program while protecting the limited supply of infant and toddler care within communities.

Supporting Information: While NIEER, who helped create nationally recognized quality standards for publicly funded preschool programs, and the Department for Human Services (DHS) for child care providers have created quality rating standards through Grow NJ Kids, neither of these entities has based their quality standards on classroom square footage. Yet, DOE requires 950 square feet (or 63.3 sq. ft. per child) of instructional space for publicly funded preschool classrooms, which is approximately 28 more square feet per child than required by the DCF Office of Licensing (DCF requires 35 sq. ft. per child). In fact, New Jersey is one of the only states in the nation to implement a square footage requirement that does not align with their state's licensing requirement, the recommendations by the National Association for the Education of Young Children (NAEYC), or the Head Start Performance Standards.

Caring for and educating infants and toddlers in New Jersey is both important and expensive. Child care providers rely on the 3-5-year-old student population to help offset the high costs of caring for and educating infants and toddlers. These small business owners, provide a public good, enabling families with young children to pursue their personal and professional goals during the week, cannot operate their businesses solely by caring for and educating infants and toddlers, nor can they compete with free preschool programs.

As, I previously stated, the Fiscal Year 2024 Report to the New Jersey Legislature on Preschool Expansion and Mixed Delivery, more than 62% of child care provider classrooms are below 700 square feet. As a former provider, I can draw a couple of conclusions from this information:

- Most child care providers cannot collaborate with their local school districts and are at risk of losing their businesses, further reducing the availability of infant and toddler care in our state.
- Based on the maximum group size DCF regulation for centers licensed to care for and educate infants and toddlers, which is 12 for students ages 0-18 months and 20 for students 18 months-4 years old, the average group size for those age groups is approximately 16. If we multiply this number by the per child DCF licensing square footage of 35, most child care center rooms in NJ are, on average, approximately 560 square feet. Therefore, to meet the DOE's 950 square foot classroom requirement, providers would need to combine two classrooms into one, further reducing child care availability in the community.

According to the list publicly provided by DCF, as of April 1, 2024, there were 4,071 licensed child care centers in NJ. If we exclude centers licensed for children ages 6-13, this number is reduced to 3,216.

Here is a breakdown of the licensing capacity for the 3,216 New Jersey licensed centers:

Licensed Capacity	Number of Child Care Centers
60 or less	1277
61 – 100	770
101 – 180	905
181 or greater	264

The average licensing capacity for child care centers in New Jersey is 97.

35x

Therefore, if we multiply the average licensing capacity by 35 square feet per child, the total classroom space available within licensed child care centers is approximately 3,395 square feet.

Based on the above information, here are a few more assumptions based on my expertise in the field:

1. The calculation means that most centers have only three classrooms available to collaborate with their local school district.
2. Given the benefits of collaborating with the public preschool program, including a more stable funding stream from September to June, and the opportunity to increase revenue by offering before, after, and summer care, partnering with school districts is a more attractive and sustainable business model than providing traditional child care services.
3. Additionally, since infants and toddlers are the most expensive group to care for and educate, requiring more classroom teachers and demanding more physically, mentally, and emotionally from their teachers, eliminating this group to collaborate with the local school district makes financial and logistical sense.

Nevertheless, this further reduces the availability of child care in the community.

Our focus must be on advancing universal preschool and retaining slots for infants and toddlers in the community. The most fiscally efficient way to achieve this goal is to align the square footage requirement for community providers participating in the preschool expansion program with the per child square footage requirements used by the State of NJ DCF Office of Licensing. The approach we are advocating is similar to N.J. Admin. Code 6A:13-3.1, which restricts class size for high-poverty school districts but has a different class size requirement for all other school districts. This code helps us recognize that the square footage requirement for the Abbott preschool program, which was focused on addressing achievement gaps in economically disadvantaged school districts, could be modified for community providers in all other school districts. This change will immediately allow more providers to participate in the public preschool program while protecting the limited supply of infant and toddler care within communities.

Recommendation 2: Form a stakeholder group composed of child care and Head Start providers participating and not participating in the public preschool program, representatives from NIEER, NJAEYC, DCF, DOE, DHS, advocates, and school districts from diverse communities to work alongside the DOE to modernize the provider contract. This step is crucial in removing nuanced barriers to collaboration, reducing

overburdensome administrative requirements, and fixing the funding formula that disincentivizes programs from retaining their infant and toddler programs.

Supporting Information: Some of the nuanced barriers include but are not limited to:

- Requiring programs to participate in the Child and Adult Care Food Program
- Withholding the entire June payment until the final fiscal report has been reviewed by the school district
- Director's salary scale that is not adjusted for cost of living increases or inflation.

Recommendation 3: Establish legislation that treats child care providers collaborating with public schools as a protected vendor class in school contract arrangements with districts. This would allow providers to enter into multi-year contracts, making it easier to secure funding from banks for facility upgrades, repairs, the purchase of new buildings, and new program start-up costs.

Supporting Information: The current one-year contract makes it nearly impossible for community providers to secure bank loans to cover the costs of long-term financial investments needed for collaboration with the school district. Additionally, it offers no assurance that the collaboration will continue beyond the current school year, creating an imbalanced power dynamic between the school district and the provider. This dynamic hinders open and constructive feedback about strengthening the program or partnership.

DOE must also have dedicated staff capable of providing technical assistance to child care providers. The collaboration between school districts and child care providers is an intimate partnership where mutual respect and trust are crucial. However, when both parties are new to their roles and responsibilities, and one party controls the funding, contract renewal, and student enrollment, an unhealthy power dynamic can start to erode the relationship. Without state-level staff advocating for and working directly with providers to address relationship hiccups, the relationship may dissolve even under the best circumstances.

Recommendation 4: Equally important is requesting that the DOE be allowed to issue an anticipatory Notice of Funding Opportunities (NFO) for the upcoming school year in March. Typically, in July, the DOE's Division of Early Childhood Services releases an NFO and holds compulsory meetings for interested districts. Around August 1st, districts

submit their applications for preschool expansion funding. Funding awards are usually announced around September 1st, and newly funded classrooms are required to be open by October 1st.

Supporting Information: This tight turnaround leaves little room for thoughtful and intentional partnerships. Allow the DOE to anticipate their resources and release the NOFA in March of the current school year so that everything can be in place by July 1, enabling public preschool classrooms to open at the start of the school year. Include language that outlines the exact conditions for opening public preschool classrooms to ensure that if resources are unavailable for budgetary reasons, districts cannot proceed. This change allows school districts and community providers more time to plan, form relationships, and open in September with the start of the school calendar year.

Fractures in the Current System

Recommendation 1: Workforce: Provide financial support and time for non-certified public preschool classroom teachers to return to school and become degreed teachers. This includes funding for books, child care, transportation, and remedial courses, with pay increases as certain milestones are met; just like we did in the early days of Abbott to increase the supply of preschool-certified teachers.

Supporting Information: In December 2023, we surveyed Abbott providers across our state, and 96 providers responded. Of those, 65% stated that they currently have substitute teachers in the classroom due to the challenges of finding certified educators. The road to building a certified workforce in the early days of Abbott was not perfect, but it was highly effective. It provided financial support and time for non-certified classroom teachers to return to school and become degreed teachers. The expansion of public preschool is exacerbating the existing teacher shortage. Abbott districts are now losing their certified teachers, putting the achievement gap we worked so hard to close over the last 25 years in jeopardy of resurfacing. It is imperative that we do everything possible to support our current workforce while also working to build a pipeline for the future.

Recommendation 2: Enrollment: Launch a statewide public awareness campaign about public preschool and work closely with each district to raise awareness in those communities. Require districts to reduce barriers to school enrollment and ensure fair distribution of student enrollment across in-district and provider sites. Reject proposals by districts to open or build additional preschool classrooms if community preschool provider sites are not fully enrolled.

Supporting Information: Post-COVID enrollment across school districts and community provider sites is down. However, providers are suffering the full brunt of this crisis. While districts have access to funding for preschool facilities, community providers do not. One provider survey stated, "The school district continues to open up in-district preschool classes and poach our parents to register with them instead of collaborating." This leads to districts and providers fighting over the same reduced pool of students, with providers on the losing end. We have heard from many community providers from multiple school districts that the centralization of the enrollment process results in districts filling their classrooms first and provider sites last.

While districts can recruit over the summer, providers do not have the staff to dedicate to these efforts. Family workers, who used to recruit during the summer and were once 12-month employees, are now just 10-month employees in many school districts.

The centralization of the registration process by numerous school districts creates another barrier. Providers have reported that central intake staff have told parents that centers are full when they are not or that their child is better off going to an in-district program than a community provider, among other tactics to persuade parents to choose the district over the provider. One district even reported that community providers are restricted to educating 3-year-olds only, while the district offers schooling for students aged 3 - 5 years of age. During the registration process, central intake staff tries to persuade these parents to choose the in-district program over provider sites by telling them that their child will only be with the community provider for one year and that it is better for the child to be in a stable environment in-district for two years.

Recommendation 3: Funding: Ensure districts fully fund participating child care providers. Currently, districts reduce support for child care providers in the public pre-k program mid-year, jeopardizing quality and program sustainability. When providers meet with the district's fiscal specialist to create their budget for the upcoming year, they should review the number of contracted slots to determine if the allocation is appropriate. Once agreed upon, the contracted amount should be maintained without any cuts during the year.

Supporting Information: District funding is the only funding available to providers to support the operational expenses of a public preschool classroom. In or around November of the current school year, each provider creates a budget for the upcoming year based on the number of contracted slots and financial data from the previous year.

Fast-forward to the current school year. Districts are funded for all the contracted slots reported to the DOE, regardless of enrollment fluctuations. However, if providers do not fill 14 of the 15 contracted slots by October, recoupment of funding begins in November

for each unfilled slot. Funding reductions continue until the providers meet the enrollment requirement.

The following is an example of the programmatic impact mid-year funding can have on the quality and sustainability of the entire program.

40x

Average funding per public preschool class: \$240,000 (\$16,000 per pupil * 15 students = \$240,000)	
Average Classroom Expenses	Average Amount
Teacher Salary	\$60,000
Teacher Benefits	\$12,000
Teacher Assistant Salary	\$35,000
Teacher Assistant Benefits	\$10,000
Classroom Materials and Supplies	\$1,600
Classroom Technology	\$1,200
Field Trip/Transportation	\$1125
Substitute Teacher	\$2700
Substitute Teacher Assistant	\$1620
Food (Breakfast, Lunch, and Snack)	\$6000
Total remaining to support indirect programmatic cost (Director, Clerical, Family Worker, Food Worker, Custodian, Rent, Utilities, Insurance, Telecommunications, etc.)	\$108,725/year OR \$10,872/month

If only twelve students are enrolled in this classroom, the contribution to indirect programmatic expenditures is reduced to \$60,725/year or \$6,072.50/month.

Given the strict enrollment guidelines, such as a child must be three years of age by the school district's established cut-off date, and must reside within that school district, along with the reported problematic tactics of some districts at central intake, it can be challenging for providers to fill 14 of the 15 allocated slots. Mid-year funding recoupment strains an already inadequately funded budget and jeopardizes quality and program sustainability.

Therefore, I recommend that providers be funded for the total number of their contracted slots without penalty. Additionally, during the November budget review, the number of allocated contracted slots should be reviewed and adjusted if warranted to help providers better prepare for future funding shortfalls the following year. Or in the future.

Recommendation 4: Pay parity: Clearly define and require pay parity between district teachers and teachers at provider sites. According to the ACNJ survey of Abbott Community Providers conducted in December 2023, 6 out of 10 programs have lost P-3 certified teachers to the district. The salary differences can range anywhere from \$15,000 to \$25,000 for teachers working in district programs compared to teachers at provider sites. Providers continuously report that they cannot compete with district salaries and benefits. Addressing this issue is paramount to ensuring the quality of preschool programs at provider sites and equity among teachers in the same district.

41x

Supporting Information: It has been reported that due to teachers at the provider sites not being a part of the school union, they are unable to receive true pay parity. During the union negotiation process, teachers at community provider sites salaries are frozen and are not given credit for years worked during those negotiation years. Once the contract is settled, district teachers receive back pay for the previous years, while teachers at provider sites only receive back pay from September of the current school year. However, funding is withheld from the provider's budget to account for future settlement.

Recommendation 5: District Administrative Costs Cap: Establish a formula that standardizes administrative fees that are withheld from providers budgets. These administrative fees are used by the school district to support the operational expenses of implementing the public preschool program by the school district.

Supporting Information: Through our conversations with providers, we learned that districts are deducting anywhere from 2.5% to 22% off the top based on the number of contracted slots to cover the administration of preschool program-related expenses. The creation of a standard based on a standardized formula that reflects the diverse school districts offering publicly funded preschool would allow for transparency and accountability across districts.

In conclusion, mixed delivery is vital to the sustainability of New Jersey's child care system. By addressing these critical issues, we can ensure that all children, regardless of their background, have access to high-quality early education. I have every confidence that with the support of the Legislature, we can solve these problems, protect the businesses of community child care centers that provide a public good, and strengthen NJ's mixed delivery system. Thank you for your time and consideration.

I am happy to answer any questions today or at a later date. My email address is wsmith-jenkins@acnj.org, and my cell phone number is (908)531-7555.

42x

Testimony to Senate Education Committee on Mixed Delivery Child Care / Pre-K
NJ DCF Commissioner Christine Norbut Beyer
June 3, 2024

Good morning, Chairman Gopal, Vice Chair Turner, and members of the Senate Education Committee, and thank you for inviting the Department of Children and Families (DCF) to participate in the conversation on preschool mixed-delivery systems.

While I regret that I am not able to participate in today's hearing in-person, I appreciate the opportunity to submit this written testimony, regarding the Department's position and support of licensed child care centers in New Jersey.

Through this department's work, we know that families in the State of New Jersey can be well-served by a safe and robust child care industry, with high quality programming.

We also know that families can be well-served by a strong preschool ecosystem, in which children are engaged through their public school at an early age, and a learning continuum is cultivated.

The goal of public policy is to ensure that these options are achieved through complementary, holistic and sustainable means.

Through mixed delivery agreements and partnerships, this necessary balance can be achieved, though there is still work to be done to align standards and position the entire regulatory structure for success.

New Jersey's licensed child care centers are among the best in the country, consistently achieving excellence in curriculum and safety standards.

They offer school districts seeking to expand their preschool and pre-K offerings a means to do so, via mixed delivery partnerships, and in a manner that is efficient, and beneficial to the broader community, while capitalizing on the trust established by child care providers in their respective communities.

In New Jersey, child care is regulated and supported through a partnership between the Department of Children and Families and the Department of Human Services.

DCF is responsible for licensing private child care providers, while DHS administers the child care subsidies that are intended to keep child care accessible and affordable for New Jersey families.

DCF, via its Office of Child Care Licensing, acts as the licensing authority for the state's 4,047 licensed child care centers¹, as well as approximately 1,200 voluntarily registered

¹ As of 5/30/24

family child care homes. Together, these providers serve an average of 400,000 children a day throughout the state.

DCF inspects every licensed center at least annually, with additional inspections undertaken on an as-needed basis to follow up on identified deficiencies or in response to complaints within the licensed center. New Jersey's child care regulations, found at N.J.A.C. 3A:52, et seq., include requirements on virtually every aspect of child care center operations, from physical facility requirements to staff qualifications, ratios and background checks.

New Jersey has consistently been recognized for its high standards for child care. The national advocacy group Child Care Aware, in its most recent rankings, placed New Jersey's standards higher than every state except Massachusetts.

When considering the public policy questions relevant to the success of mixed-delivery partnerships, we have to recognize the differences in form and function between our best-in-nation child care industry, and our best-in-nation public education system.

For example, one area in need of focus, and that has been raised during the implementation of universal preschool, has been the square footage requirements for classrooms eligible for use as mixed-delivery settings.

DCF regulations currently require 35 square feet of classroom space per child, a standard recommended by the US Department of Health and Human Services, and adopted by nearly every state in the country, including those states that have already successfully implemented universal preschool.

As DCF collaborates with other state agencies on child care as a whole, we hear the need for consistency and alignment. Along with the Department of Education, DCF is committed to working towards aligning square footage requirements applying to mixed-delivery preschool classrooms.

The DCF remains encouraged that the mixed-delivery model offers the potential for balance between two equally important policy goals – a thriving and affordable child care industry in New Jersey, and the ongoing rollout of universal preschool and pre-K to families throughout the state.

We look forward to working with our sister state agencies to align rules and regulations that support equity and safety in these settings. Thank you for taking on this important issue, and my staff and I are available to research and respond to any questions you may have following the conclusion of today's hearing.

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**Testimony from Becky Martin for
Senate Education Committee
Monday, June 3, 2023**

Hello, my name is Becky Martin, and I am the director of the Tinton Falls Cooperative Preschool, TFCP, in Monmouth County. TFCP is a non-profit, tax-exempt preschool licensed by the New Jersey Department of Children and Families, Office of Licensing. We are celebrating our 50th Year. I am unable to attend the hearing today because it is our last day of school and I strongly felt that my place was with my school families as we finished the year.

I thank Senator Gopal for inviting me to include my testimony today.

I am an Early Child Educator with a degree in Family Child Studies, focused on Infant and Toddler Education, with a Teaching Certificate for Preschool to Eighth Grade through Montclair State University. I have worked with preschool children for 40 years.

TFCP has been working with the Tinton Falls School District (TFSD) as an important part of the Early Childhood Education community for many years. TFSD has recommended families to our school, and we have worked together to place children from our school into their Special Needs Preschool Program. TFSD has communicated that the children who graduate from TFCP have been ready for Kindergarten and continue to do well throughout their years in the district.

For the past two years I have been working with Dr. Lisa Goldey, the Superintendent of TFSD and the TF Board of Education focusing on Preschool Expansion. I have also attended a variety of meetings, hearings, Zoom calls, and had multiple conversations with Senator Gopal and other state leaders about Preschool Expansion. I am very familiar with this important issue.

I am requesting that you, the Senate Education Committee reevaluate the Preschool Expansion Program and strive to fix the many concerning issues that are part of the preparation process, implementation, and lack of flexibility for preschool families.

Preschool Expansion has become a burden both to the school districts and to the many Childcare Centers and Preschools that have served the State of New Jersey's preschool children and their families for many years. **The Mixed Delivery System** that was promoted and supported by the Early Education Community initially, has become an unreachable goal for most small centers and preschools. The changes that have been made from Childcare Licensing requirements to the Preschool Expansion requirements are unobtainable for a variety of reasons that are too vast to go into detail at this time, and I am certain you have heard. I am available should you require my additional insight into this specific subject.

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Additionally, most importantly, and what I will focus on today, is that the impact on family choice will be forever compromised by the current Preschool Expansion Program.

One key element that is missing from the NJ Preschool Expansion Program is the need for families to have options when choosing what is best for their child. Preschool programs should not be one size fits all. There is a reason that our community preschools offer different environments, classes, programs, and curriculums: because our preschool children and their families are very different from each other, and families NEED choices! These very centers and preschools are where the initial research was conducted that has brought about Universal Preschool today, they were diverse then and should continue to offer a variety of options today.

Preschool children are LITTLE and the environment that they will do best in is different from one child to another. Having a variety of options allows each child to learn within a setting that is right for them while introducing socialization, emotional learning, school routines, and so many other important life lessons. I am not saying every program is a quality program, but I believe that the school districts have become familiar with the quality of the education their Kindergarteners have received from the preschools in their area and are able to distinguish those that would work well as a partner in Preschool Expansion.

Yes, some families will always be able to choose to pay for a private preschool, but isn't the point of the Preschool Expansion Program to allow families a realistic choice in sending their children to a place that they know is safe, engaging, and will have a positive impact on their child's future educational experience while reducing the financial burden and increasing the quality of the teachers that serve these children? Why should only the families that can financially afford a private preschool have a choice that other families do not? I urge you to make changes to the current Preschool Expansion requirements that allow school districts to choose preschools and childcare centers that they believe will work well with the district, meet the educational goals of the students, and allow family choice in what works best for them and their child. I believe that these types of true partnerships, not changing the programs that are already successful, will bring about a much richer and diverse Preschool Education Program for the next generation.

In closing, some final points to encourage a change to the NJ Preschool Expansion Program:

- A true mixed delivery system with a variety of choices that allow for currently operating schools and childcare centers to continue the work they are doing can help New Jersey get to Universal Pre-K faster.

46x

- Using the schools that are already in place with minimal change would cost far less than implementing new programs throughout every district.
- Families are at the heart of every school, preschool families should be allowed to choose how their children start school, not be forced to send their children for 30 hours a week just to receive free education.
- There are many small preschools like ours that are trusted education centers for preschoolers that would be beneficial to the Preschool Expansion Program. Let school districts make the choice of how best to integrate them within their own program.
- Partnerships between districts and private preschools will allow for better communication, additional training, and a smooth transition from preschool to Kindergarten.
- We all want every child to have access to preschool, let's find a way to work together to make it happen.

Thank you for your time and dedication to providing a positive Preschool Experience to every child and family in New Jersey.

Becky Martin

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I am a PK Nurse in a former ABBOTT District with 20 years of PK experience. My comments: The DOE says screenings should be done upon enrollment. Also my understanding is we should case manage-with Family Workers-to allow the students to be in the PKs safely following Child Care Licensing. In my experience that used to be what we tried to do. Now-in my district-we are crammed into a building with others where we are not able to do the screenings at Registration because there is no space. Presently, instead of being allowed to do our jobs properly we are used as float coverage for district schools/trips, or we are used to do K registrations all day long for several months at a time during the year. (The former started two years ago, the latter this school year.) Requested- We need to be given the time and resources to follow DOE PK Implementation Guidelines for Health and Nutrition. We need clarification on whether we are Early Childhood Nurses serving the PKs following DOE/Centers-Licensing, or just "District Nurses" not able to do our jobs because we are pulled to serve K-12 needs, and then not properly serving our free standing PKs. We have no say about anything and it is not working! We are budgeted for PK and should be allowed to do the job as set out by the DOE. Floating us to K-12 takes away from our jobs and it is not right. It is not fair to the Child Care Centers. It is not fair to the children and families that we serve. Please don't use my name-publicly , as I fear it can be used against me.)

48X

its time for parents to pay for any school theier pres school kids go to. its time to stop assaulating nj citizens with endless taxation to pay for what other people want but fail to work hard enough to pay for. if they need to work 2 jobs, so be it. why shift the bill to their neighbor who is 60 years old and already paid through the nose for their own kids. this transfer of bills from one nj resident to everyboy else i the nenghborhod has to stop. work and pay your own goddam bills. we are sick of these transfer payments for others peoples wants and desires. stop these 4 year old preschools. pay your own babysitting.

Sent from: jeanpublic1@gmail.com

49x