



**UNLOCKING POTENTIAL: THE NJ PRITZKER LEADERSHIP TEAM
INFANT-TODDLER CHILD CARE CONSENSUS DOCUMENT
AUGUST 16, 2019**

How to use this document: This consensus document is intended to document key information and decisions made during a planning meeting. This information will be reviewed by meeting participants for edits and additions and then finalized. The finalized consensus document will serve two purposes: to document the outcomes of the planning meeting and to inform an overall infant and toddler plan.

New Jersey Infant and Toddler Child Care Meeting- August 16, 2019

The purpose of this meeting is to build on existing momentum of planning and action around improving quality and increasing access for infants and toddlers to ensure continued progress. The focus of the meeting is on improving access for low-income families to high quality child care options and to building supply and quality of the child care system. A key focus on the workforce was identified as a necessary lever to both improving quality and assuring access to high quality infant and toddler child care.

There are approximately 310,000 children ages 0-3 and about 102,000 born each year. About 207,000 children ages 0-3 have parents in the workforce and likely to have a child care need because all parents in the home work. Current child care supply includes: 55,000 child care slots available in licensed child care centers that includes 1,228 full day Early Head Start slots and about 861 Early Head Start-Child Care Partnership (EHS-CCP) slots and another 8,400 slots in family child care homes. There are 7,051 infants and 8,756 toddlers currently receiving child care subsidy. At the time of the meeting, 194 child care centers have been rated by Grow NJ Kids, the state's quality rating and improvement system and 1006 centers are participating in the program. 192 family child care homes are also in the program and 32 have been rated thus far. There are approximately 1,312 infants and toddlers in rated programs (1277 in centers and 35 in family child care).

Landscape Overview

New Jersey's child care subsidy program is housed in the NJ Department of Human Services, Division of Family Development and administered by county-based Child Care Resource and Referral agencies that provide a range of services that include but are not limited to: assessing parent eligibility and processing provider payments; registering family child care homes; managing family, friend and neighbor providers who access subsidy; providing health and safety trainings; and helping families locate care. The subsidy program has seen important reforms recently including the uncoupling of the infant and toddler rates with infants now receiving a higher rate than toddlers. NJ has also recently implemented a tiered rate for GNJK programs meeting Star 3, 4 and 5 levels. In NJ, family child care providers are unionized and therefore negotiate their rates separately; at present there is no tiered rate for FCC providers.

A number of quality initiatives are in place and the following impact infant and toddler programs: Infant/Toddler Specialists are available as a resource to programs serving infants and toddlers statewide; Grow NJ Kids, the quality rating and improvement system for NJ, is a five-star rating



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system for licensed and registered early learning programs. The system recognizes Head Start and NAEYC accredited programs at level 3. Participating programs receive support and technical assistance through regional GNJK Technical Assistance Centers; and scholarships are available for the early learning workforce for CDA training, assessment and renewal or other credit-bearing college coursework. The applicant decides which scholarship is appropriate for their professional pathway. To be eligible for a scholarship, the educator must meet eligibility criteria that includes being employed in a program that serves subsidy children, teacher / teacher's assistant, working 30 hours, employed for 3 months, etc. There is new initiative called the Infant Expansion Quality Initiative that seeks to increase access to quality infant child care by providing funding through two grants; the Infant Expansion Grant is for centers that already serve infants but want to increase their infant capacity and the New Infant Slots Grant is for centers currently not serving infants of families who receive a subsidy and will add infant seats. Programs must enroll in GNJK to be eligible for these grants for many of the grant opportunities. Health and Safety grants are also available for subsidy serving centers to purchase items and/or make minor repairs to abate documented health and safety violations and/or to meet health and safety training requirements. Programs participating in GNJK are also eligible for Program and Classroom Quality Enhancement grants.

New Jersey also offers an Infant/Toddler Credential, administered by the NJ Coalition of Infant/Toddler Educators. The Credential was created to enhance the knowledge, skills and practice of infant/toddler professionals. There have been 148 credentials awarded. In addition, NJ is in the process of creating a Birth to Three Teacher Certificate to recognize individuals that pursue coursework in early childhood development with a focus on infant and toddler development. It is the intention that this certificate will offer Associate degree holders the opportunity to transfer into bachelor's degree programs for infant and toddler care and development, so that they can advance professionally.

Conceptual Framework (attached)

The conceptual framework articulates the key issues of Access (supply); Quality (QRIS); and Workforce, and offers a developmental scheme to help prioritize current policy issues for exploration recognizing that there is significant work currently underway and there are long term goals that will need ongoing attention to be achieved. Five key goals are identified for this planning process:

1. Use Grow NJ Kids to increase the quality of existing infant toddler programs serving low income children and families.
2. Require all child care programs (both center-based and family child care) that accept subsidy to enroll in GNJK and make ongoing progress.
3. Increase the number of infant toddler high-quality seats/programs in deserts by targeting quality expansion initiatives to low-income communities that are identified as infant and toddler child care deserts. Partner with private partners to pilot capital expansion initiatives. Use increases in public funding to create a facility grant program to ensure facilities in child care deserts can be developed or expanded.

4. Ensure the Infant and toddler workforce is adequately compensated. Create an ongoing compensation (wage enhancement) initiative to reward infant and toddler educators that attain higher credentials and work in programs that serve low income children.
5. Increase participation of family child care in GNJK by increasing incentives for FCC in GNJK (ie. Including FCC in the tiered add-on).

Moving to Action: Identifying indicators to drive action to ensure high quality child care is accessible to infants and toddlers.

REACH GOAL: New Jersey will increase the number of infants and toddlers who access high quality child care.

17,500 low income children and families will have access to and participate in high-quality child care (family and center-based) defined as licensed/regulated and participating in the top tiers of Grow NJ Kids.

Indicators:

Access and Supply:

- Centers and family-based programs serving low-income families with infants and toddlers (subsidy) participate in Grow NJ Kids. Child care deserts (as defined as any municipality with more than 50 children under age 3 that contains either no child care providers or so few options that there is less than 20% of available slots for infants-toddlers that are likely to need child care because all parents in the home are employed)for infants and toddlers in low-income communities are eliminated.
- Number and type (centers and family-based; sizes, locations) of programs at the top tiers of Grow NJ Kids (star 3, 4 and 5) with a focus geographic equity
- All children including those with special needs and behavioral concerns have access to programs; policy is effective at preventing exclusion and expulsion is in place and providers have resources to support inclusion.

Quality:

- Center and family-based programs (who participate in subsidy) participate in GNJK
- Centers and family child care homes serving infants and toddlers are rated star 3, 4 and 5.
- All infant and toddler caregivers have an Infant Toddler Child Development Associate (CDA) credential.

Workforce:

- Infant and toddler educators, whether in a family child care home or in a center, earn a living wage.
- Based on specific teacher qualifications, there are required compensation standards for infant-toddler teachers (standard should include review of provider salary scales that demonstrate progressive compensation based on role, qualification, and experience).
- There is earmarked public funding for improved compensation for infant-toddler educators.

Moving to Action: Planning for increasing access, improving quality and strengthening the workforce.

FINANCING: Ensuring adequate compensation for the infant and toddler workforce.

There are different ways to structure a compensation model, including:

1. Incorporate a quality of care model as part of the rate structure. This would require a significant increase in the reimbursement rate to account for all operating costs including optimal salaries.
2. Incorporate a new compensation model with a contract structure for programs accepting subsidy. This is a model where the state issues subsidy funds for specific slots via contracts (not parent vouchers) and monitors against a contract that includes compensation requirements for teaching staff.
3. Deliver wage supplements through:
 - a. Tax credits
 - b. Individual payments to individuals (WAGES is a national example of such a program)
 - c. Payments through child care providers (set-aside or specific grant funds for teachers)

A key assumption in considering a compensation strategy is that wage scales (ladders, etc.) will be established to account for qualifications and possibly experience.

The group focused on the use of contracts to structure wage supplement benefits and while a recommendation was not determined, the group articulate the following issues:

- Georgia has a successful contracting model focusing on infant toddler that could serve as a model for New Jersey.
- Contracts can provide a strong incentive for a living wage and tie the compensation levels to education and experience.
- Contracts can have a system wide impact.

- Legislators may prefer this model as it is clear and doesn't rely on providers to prioritize compensation (when they may have other important expenses such as facilities to attend to).
- A partnership with Labor and Industry will be important to developing this model.
- Contracts are understood to stabilize child care centers and FCC by providing consistent and predictable payments; these can be multi-year enabling longer term planning for providers.
- To ensure that contracts performed as desired, additional state oversight and monitoring would be needed.
- Developing the financing strategy for this model must include state infrastructure to manage and monitor contracts.
- NJ would likely continue to use Child Care Resource and Referral agencies to determine eligibility and to monitor attendance.
- This strategy can successfully include all types of child care programs and aligns the individual teacher and program interests in pursuing end goals.
- Contracts can support other system interests such increasing credentials for educations and progress in GNJK for programs.
- Contracts can enable programs to develop internal coaching and quality improvement resources and offer sustainability for these resources.
- Contracts could be universally available to all subsidy programs or targeted to specific providers (quality level, geography, location in child care desert).

An alternative to contract funding is wage supplements, which are another method of improving educator compensation. The group raised concerns that in some places these supplements have not resulted in the desired levels of pay the teachers. All types of wage supplements have been implemented around the country so all are administratively doable. There are concerns about the fact that supplements are only paid out periodically and not included in paychecks and therefore potentially seen as bonuses and not ongoing, predictable pay.

Action Steps:

- Continue the analysis of options to move determine which option will work best in New Jersey.
- Ensure teacher compensation is a high priority in the plan that will result from this process.

MESSAGING: Investing in quality and GNJK is critical for children, providers, families and communities.

The group decided to focus on reaching three important groups, families providers, policymakers and then also discussed outreach to other stakeholders including business leaders.



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As a result of Race to the Top investments, key messages and a messaging campaign materials have been developed for GNJK. The state will coordinate and manage this campaign and direct the timing of efforts. The group focused on themes that are critical to reinforce. The important actions related to building demand from parents and ensuring providers believe there is support for them as they join the system.

Key themes by audience:

Families: high quality programs support early development (brain research) and get children ready for school.

Theme: Your child is best served in a GNJK site.

Message ideas: *Your child deserves the best if you can't be there; Who's holding your baby while you work or go to school? Find a rated GNJK program; Best beginnings happen in GNJK programs; You are your child's best educator, GNJK helps you find others who are qualified to stand in the gap.*

Providers: additional revenue is available via tiered add-on for providers who participate in GNJK.

Themes: Emphasize the critical role of the educator and a commitment to improve compensation. The need to get educator buy-in to get others to buy-in. Progress in GNJK will be supported with resources and technical assistance.

Message ideas: *Don't miss out on the opportunity to GROW your program; We will hold your hand through it all; We are holding a space for you to GROW; and The work you do is worth more so GROW.*

Policymakers: there is a high economic return on investment when you invest in infants and toddlers.

Themes: There are many benefits to high quality care; not investing is costing us.

Message ideas: *Access to high quality early learning environments leads to high returns on investment; For our educational system to be #1, we must maximize our investment in early care programs and their educators; and Health, safety and happiness is everyone's business.*

Other stakeholders:

- **Voters:** We need quality child care to be a top voter issue.
- **Business:** Business need child care to ensure their workforce is available and fully engaged.

Action Steps:

- Coordinate with GNJK to deliver the broad message of why Grow NJ kids is a win-win-win for providers, parents, kids, and systems.
- Build on the message of school readiness starts in the “cradle” not kindergarten. Investments in 0-3 pay off and they are everyone’s business.
- Support a strategy to engage broad and diverse stakeholders and get as many people hearing these messages.

CAPACITY: Expanding supply required investments in various providers and systems.

Early Head Start:

- Ensure there is capacity in the state to pursue all available grants and respond to expansion solicitations from Administration for Children and Families (ACF). The strain on capacity is mostly related to staffing. Focus this effort on ensuring that all EHS-CCP partnership slots are filled.
- Explore opportunities to use ACF funds for facilities improvement.
- State subsidy policy reflects a priority to ensure that child subsidy is guaranteed for the child while enrolled in the program.

Family Child Care:

- Explore the opportunity to expand capacity of FCC by creating an “expanded home” designation that allows for regulating in homes up to 10 or 12 children with an assistant (as many states have).
- Improve compensation for FCC (parity with center-based care including tiered reimbursement)
- System coherence and sometimes overlapping and conflicting messages from the various professionals in the systems (regulated, subsidy, etc) is a major barrier to providers becoming regulated and joining GNJK. Oversight and monitoring systems for FCC need to be aligned and coordinated. Consider ways to improve shared decision making, cross training, and relationships between FCC and these entities.

Child Care Centers:

- The ability to utilize grants and incentives to expand capacity is limited by provider business savvy and ability to manage facility vendors and projects. Providers need additional supports to manage projects and build business and management capacity.



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- Identifying qualified staff is a major barrier to expansion of programs and severely limits operator willingness to add service capacity. Efforts to recruit, retain and support staff are critical to ensuring supply of high quality programs.
- The system supports for infant and toddler care are modified from preschool and may not fully meet the needs of very young children. There is a need to develop dedicated supports and programming to enhance the capacity of infant and toddler programs.
- Develop a facilities fund to upgrade and improve facilities for expansion and quality improvement.
- Explore shared services opportunities to bolster director capacity to manage facilities expansion and other business needs across multiple sites.

General strategies:

- There is a need to get businesses at the table to support eliminating child care deserts as they are a major beneficiary of child care and may have one-time start-up or ongoing operating capital to support expansion efforts.
- The workforce is a major barrier to expansion; developing a progressive career lattice and improving messaging around the importance and value of infant and toddler educators is a key aspect to improving this dynamic. Compensation is a key issue to address. Higher education institutions need to be at the table.