



# #37 New Jersey

NJ Score: 24.5



Average score: 35



NJ drew down 100% of federal child care funds

MD	1
DC	1
AR	3
GA	3
NM	3
PA	6
NC	7
LA	8
MT	8
WA	8
MA	11
CA	12
DE	12
IN	12
OR	12
CT	16
ME	16
MN	16
OK	19
RI	20
WI	20
MI	22
IA	23
NE	23
SC	23
UT	23
CO	27
AL	28
AK	28
WV	30
OH	31
FL	32
KY	33
NH	33
IL	35
TN	36
<b>NJ</b>	<b>37</b>
VA	37
ND	39
HI	40
NY	40
AZ	42
NV	42
MS	44
MO	45
ID	46
SD	47
KS	48
WY	49
TX	50

## Creating a Coordinated, Integrated Early Care and Education System: State Early Childhood Administration

American families are faced with the challenge of finding and affording quality child care. Parents must navigate a patchwork system of providers, and for many, the system (or lack thereof) can make finding, accessing, and affording this care a nightmare. This is especially true for low-income families who must also navigate the subsidy system. And once in a program, dealing with the fragmentation of services further costs parents time and money. For example, when children age out of Early Head Start at age 3, parents are required to reapply for Head Start.

While Congress allocates billions of dollars to federal agencies for ECE, state governments are tasked with coordinating and combining the many different ECE funding streams allocated to them. The way states administer these funds can result in inconsistencies in program implementation and monitoring, leading to even more frustration for families. Requests for studies from the U.S. Government Accountability Office (GAO) dating back to 1994 show a consistent belief that there would be sufficient funding to serve most children if duplication and overlap of ECE funds were reduced and states aligned programs more efficiently. States, on the other hand, frequently point to the federal government as the reason for the duplication.

Congress, however, intended for states to be more aggressive in coordinating ECE programs with the creation of the State Advisory Council (SAC) for Early Childhood Education and Care in the Improving Head Start for School Readiness Act of 2007. SACs are responsible for supporting state efforts in identifying opportunities for collaboration and coordination among ECE programs and facilitating the development of high quality ECE systems. Despite SACs being required by law, only 45 states and the District of Columbia have functioning SACs.

Additionally, while GAO reports have provided more information on administration at the federal level, there remains little information about administration at the state level. A 2017 GAO report on the topic of fragmentation and overlap in ECE found that, at the federal level, there was improved coordination resulting in more efficient administration of funds. The report identified nine major programs with an explicit purpose of providing support to early learning or child care programs. To date, however, GAO has not looked at state implementation of the nine federal funding streams.

The Bipartisan Policy Center set out to examine in greater depth the issues of administration (governance), coordination, and integration by reviewing the requirements set forth in the various authorizing statutes and followed by federal agency requirements, as well as how the states were administering ECE funds.

**For all but one federal program, governors have wide discretion with regard to the administration and coordination of these funds.**

With this in mind, BPC is making recommendations at the federal and state level with an eye towards further reducing duplication and improving results for families. These recommendations are summarized in the full report. The following summarizes the findings for *New Jersey*.

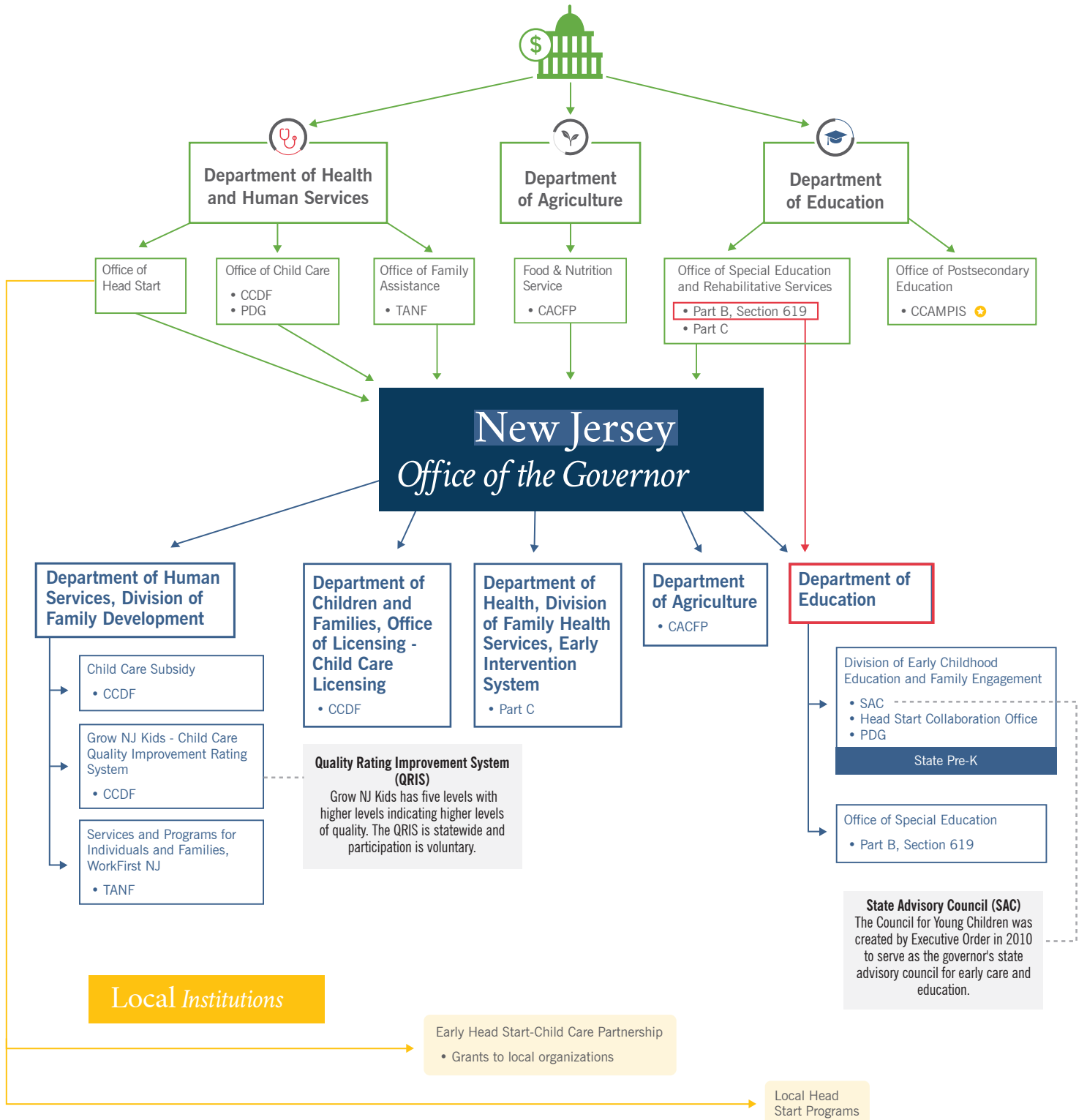
### RECOMMENDATIONS FOR NEW JERSEY'S EARLY CARE AND EDUCATION SYSTEM

- Facilitate cross-agency communication to ensure seamless coordination and transition for IDEA Part C (infants/toddlers) and Part B, Section 619 (3-5 year olds).
- Increase efficiency and cost-effectiveness of monitoring and oversight by aligning Child Care and Development Fund (CCDF) with state Pre-K and Child and Adult Care Food Program (CACFP).
- Improve program alignment and efficiency by collocating CCDF with state Pre-K and Head Start Collaboration Office.
- Ensure the State Advisory Council (SAC) for Early Education and Care, mandated by the Improving Head Start for School Readiness Act of 2007, is fulfilling its required activities, including conducting a statewide needs assessment on the quality and availability of early care and learning programs.
- Include licensing as the entry level for state Quality Rating and Improvement System (QRIS) to ensure program quality.



# Flow of Federal Early Childhood Funds: New Jersey

**KEY:** → Funding mandated for State Departments of Education → Funding provided directly to local organizations  
+ State does not receive funding



# ECE Funding in New Jersey

Funding from Nine GAO-Identified Programs	FY 2016 Funding	Numbers Served	
		Children	Programs
CCDF Expenditure	\$257,781,261	43,300	4,966
Transfer from TANF	\$76,000,000 (18.8%)	–	–
Head Start Allocation	\$172,509,276	17,152	52
Head Start		14,121	26
Early Head Start		3,031	26
IDEA Part C, Allocation (infant/toddler)	\$11,541,565	26,025	–
IDEA Part B, Section 619 Allocation (3–5 years)	\$11,048,310	19,237	–
Preschool Development Grant	\$14,290,155	1,887	–
CCAMPIS FY17 Grants	\$0	–	–
Promise Neighborhoods FY16	\$6,000,000	–	–
Striving Readers Comprehensive Literacy	\$0	–	–
Additional ECE Funding Streams	FY 2016 Funding	Numbers Served	
TANF Child Care Expenditure (Direct)	\$76,079,017	Not Reported	
TANF Pre-K / Head Start Expenditure	\$506,243,634	Not Reported	
CACFP Allocation	\$76,666,199	90,222	–
Race to the Top, Early Learning Challenge	\$44,286,728	–	–
Early Head Start-Child Care Partnership	\$9,600,000	Not Reported	

## BPC Reviewed

BPC reviewed the following federally-funded programs to assess the efficiency and integration of New Jersey's early care and education system.

- Child Care and Development Fund (CCDF)
- Head Start
- Child Care Access Means Parents in School (CCAMPIS)
- Early Intervention Program for Infants and Toddlers with Disabilities (IDEA Part C)
- Preschool Development Grants (PDG)
- Preschool Grants for Children with Disabilities (IDEA Part B, Section 619)
- Promise Neighborhoods
- Striving Readers Comprehensive Literacy
- Child and Adult Care Food Program (CACFP)
- Temporary Assistance for Needy Families (TANF)
- Early Head Start - Child Care Partnership (EHS-CCP)
- Race to the Top, Early Learning Challenge

### Number of Children Under Age 6



### Median Family Income



# Understanding and Aligning Eligibility Across Programs

## Eligibility Requirements Set by State

### Child Care And Development Fund

Children through age 12 are eligible; children with mental and physical disabilities and those in protective services are eligible through age 18. Each parent must work a minimum of 30 hours per week. Training, education (high school, ESL classes, postsecondary education), and working are approved activities for eligibility. GED classes and job searching are not approved. For initial and continuing eligibility, respectively, a family of two must earn \$2,622 and \$3,277 or less per month; a family of four must earn \$3,975 and \$4,699 or less per month.

In 2018, states will begin to see an increase in CCDF funding due to the \$2.37 billion increase to the Child Care and Development Block Grant (CCDBG) passed in the Consolidated Appropriations Act of 2018.

CCDF Allocation	2017	2018
State	\$71,850,826	\$72,730,570
Federal	\$123,119,417	\$162,437,936

### State Pre-K (FY17)

3- and 4-year-olds regardless of income are eligible for the Abbott Preschool Program and Non-Abbott Early Childhood Program Aid. 3- and 4-year-olds at or below 185 percent of federal poverty level are eligible for Early Launch to Learning.

**Total State Spending on Pre-K: \$653,333,890**

**Local Match: Yes (Early Launch to Learning Initiative only)**

**Total State Head Start Spending: \$0**

**Total FY 2017 Enrollment: 53,370**

### IDEA Part C (infant/toddler)

Children under age 3 with 2.0 standard deviation developmental delay in at least one of five developmental areas, 1.5 standard deviation developmental delay in two or more areas, a developmental delay condition or other relevant condition diagnosed by a professional, or those at-risk of developmental delay are eligible.

## Eligibility Requirements Set Federally

### CACFP

Public or private nonprofit child care institutions which are licensed or approved may participate. For profit centers must receive title XX funds for at least 25 percent of enrolled children or licensed capacity or at least 25 percent of the children in care must be eligible for free and reduced price meals. A family or group day care home must sign an agreement with a sponsoring organization to participate and must be licensed or approved.

### Head Start

Children birth to age five living in poverty are generally eligible. Children with disabilities, children whose families receive TANF or SSI, children whose families are homeless, or children who are in foster care are categorically eligible.

### IDEA Part B, Section 619 (3-5 years)

Children three to five years, who have any of the qualifying IDEA Part B overall conditions (Developmental Delay, Deaf-Blindness, Emotional Disturbance, Hearing Impairment, Mental Retardation, Multiple Disabilities, Orthopedic Impairment, Other Health Impairment, Specific Learning Disabilities, Speech and Language Impairment, Visual Impairment, Autism and Traumatic Brain Injury) are eligible.

Preparing our children for future success should be an American issue, not a partisan issue. BPC is working to bring together voices from both parties to empower and support children and working families.



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