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My name is Randi Albertsen. I own Innovations in Education, LLC. We provide professional development and consulting for early childhood programs. I am testifying in favor of HB 1475, the Mixed Delivery Model Viability Act.

I have worked as a grant writer and consultant for childcare programs participating in the Prekindergarten Expansion Grant program since 2008, when it was called Preschool for All. Over the past 17 years, there have been many changes to the grant program and application. The application process has always been time-consuming and burdensome for childcare programs that typically lack the experience and time to write and manage this grant successfully. After the Blueprint for Maryland's Future was passed, the application and implementation of this grant has become even more time-consuming and burdensome.

HB 1475 is necessary to address these burdens and the increasing inequities between community-based programs and LEAs during the application and implementation of the grant. By conducting an in-depth analysis of the mixed delivery system, including grant policies, licensing regulations, and quality assurance measures, all parties will better understand what is working and what inequities need to be addressed. This analysis aims to identify solutions and strategies to remove the inequities and barriers to participation in the Prekindergarten Expansion/ Blueprint grant program, creating a smoother, more equitable mixed-delivery system. While there are many existing inequities in the grant program, I will touch on a few that are most impactful and burdensome.

To begin with, the timing of the release of the grant application is not aligned with the business practices of Maryland's childcare programs. Adjusting the timeline of the release of the grant applications and the notification of awards is more closely aligned with the registration and enrollment cycles of our childcare programs. Childcare programs typically begin enrollment for the following school year in January. Currently, the Department does not release the grant application until early spring. When award notifications are distributed in April and May, most childcare programs are already fully enrolled for the following year. It is unaffordable for these small businesses to reserve

slots for the prekindergarten grant program without a guarantee that they will be awarded the grant. This creates barriers for childcare programs to participate in the mixed delivery system.

Additionally, when the grant application is released with the Grant Information Guide, it spells out the purpose of the grant and the expectations of implementing this grant. A program that chooses to apply for funding does so in good faith, identifying the goals and activities it will implement during the school year. The Department then releases a Program Operation Guide AFTER the grant has been awarded. For each of the past three years, new rules and expectations have been written in the Operation Guide, which were not included in the application guidelines. In most cases, these new rules have placed an additional financial burden on the programs or have forced the programs to change their day-to-day operations. In some cases, the new rules contradict the licensing regulations that community-based programs are required to follow.

Forward funding of the grant funds is another remedy under consideration in this bill that will remove another barrier to participation. Currently, the grant is a reimbursement model. Childcare programs can apply for a 15% advance for funding. This covers about 6 weeks of the school year. By the end of September, that funding has run out. By October 1, the childcare program must rely on reserve or emergency funds to pay its staff and fund its daily operations. The program incurs all expenses during the month of October, then submits for reimbursement by the 15th of November. The Department states they have 6 weeks to process these invoices. Assuming there are no questions regarding the invoice, the earliest the program will receive reimbursement for its October expenses is mid-December. In the meantime, they have now had to rely on their reserve funding for the entire month of October, November, and half of December.

No other industry or small business is expected to operate this way. LEAs are not expected to operate this way. This creates an intense financial burden for the childcare program and is another barrier to participation in the mixed delivery system. In the same way that a landlord collects rent up front, at the beginning of the month, childcare programs collect tuition from their families at the beginning of the month to cover the expenses for that month. Requiring childcare programs to wait almost three months for reimbursement of their operating expenses is unconscionable.

Many other processes and procedures identified in this bill should be given careful consideration for how they currently hinder, create additional burdens, and/or are inequitable between public prekindergarten and community-based programs. This

includes the language, guidance, and formatting of the application, accessibility of the application and grant guidance in languages other than English, the rules and expectations regarding nap time and substitutes, and how quality ratings impact program participation in this grant program.

As this is a no cost proposal with long-term benefits to the mixed-delivery system, I urge you to consider a favorable report for HB 1475 to right these inequities, remove some of the barriers and burdens placed on childcare programs, and identify strategies to create a smoother, more inclusive process for childcare programs who want to participate in the Prekindergarten Expansion Grant Program.