



NJ Child Care Facilities Improvement Program - Frequently Asked Questions (FAQ) for Contractors

*The New Jersey Child Care Facilities Improvement Program is part of the Child Care Revitalization Fund, which the New Jersey State Legislature passed and Governor Phil Murphy signed into law in July 2021. This program is administered by the New Jersey Economic Development Authority (“NJEDA” or “the Authority”). These FAQs are for **Phase 1** of the Facilities Improvement Program, which will provide grants for total project costs between \$50,000 and \$200,000 to licensed child care centers to make improvements to their child care facility.*

1. What is the New Jersey Economic Development Authority (NJEDA or the Authority)?

The NJEDA is the State’s principal agency for driving economic growth, working to carry out Governor Phil Murphy’s vision for a stronger and fairer economy. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and foster innovation.

2. What is the New Jersey Child Care Facilities Improvement Program?

The NJ Child Care Facilities Improvement Program is part of the Child Care Revitalization Fund, passed by the New Jersey State Legislature and signed into law by Governor Murphy in July 2021. The program will provide grants to New Jersey child care providers for facilities improvements that will contribute to high quality early childhood learning environments. Child care providers may propose interior and exterior facility improvements to enhance the quality of their program and receive funding to cover the full costs of the project. The funding currently available in 2022 is for Phase 1, which is only for licensed child care centers. Registered family child care providers (FCCs), also known as family child care homes, are not eligible for funding in Phase 1, but will make funding available in future program phases.

3. Why do Public Works registered contractors have to be used?

By law, all contractors through this program must be Public Works contractors registered with the NJ Department of Labor.

4. *What requirements are contractor(s) subject to on this project?*

- Contractors must be registered as a New Jersey Department of Labor and Workforce Development (DOL) Public Works Contractor. More about Public Works Registered Contractors can be found [here](#).
- Contractors and their subcontractors must register at SAM.GOV and are subject to a debarment check
- Contractors must agree to pay prevailing wage, which is set by county and by construction trade
- Contractors with 4 or more total employees must abide by affirmative action requirements
- Contractors must only hire subcontractors that are also Public Works Registered Contractors

NJEDA reserves the right to also conduct site visits during construction to confirm that work is being completed in accordance with eligible uses for the Program, federal guidelines, and all prevailing wage and affirmative action requirements.

5. *What is considered a “project?”*

All construction and demolition; labor and installation associated with facility improvements; Furniture, Fixtures & Equipment; shipping costs, and soft costs at one facility location/site is considered one (1) **project** and the activities making up the project are called **eligible uses**. When describing their project, an application could have multiple eligible uses.

For example, Devon’s Child Care Center’s project includes: (A) installing child sized toilets, (B) installing child sized sinks, and (C) painting a classroom. All of these (A, B and C) would be considered one (1) project since it is completed at one facility, with three (3) eligible uses. As another example (see visual below), Happy Kids Child Care Center’s project includes (A) replacing the windows, (B) painting all their classrooms, (C) replace the flooring, and (D) install a shed for their outdoor toys and materials. All of these (A, B, C, and D) would also be considered one (1) project since it is completed at one facility with four (4) eligible uses. Remember that total project costs of all eligible uses, soft costs and FFE may not exceed \$200,000 for each location.

6. *How does a child care provider find a contractor that is certified as a DOL Public Works Registered Contractor? Will the NJEDA find a contractor for the provider?*

Child care providers will be responsible for finding a DOL Public Works Registered Contractor(s) that is on the New Jersey Department of Labor Public Works Registered Contractor List. A complete list [here](#). NJEDA will also be hosting a list of contractors who have explicitly expressed interest taking on these facilities projects. You can access that searchable list [here](#). Remember: contractors must also agree to prevailing wage and other affirmative action requirements, as applicable.

7. *What if we comply with Certified Payroll and Prevailing Wage instead of being a Public Works registered contractor? Would they meet the requirements?*

No, all contractors must be Public Works contractors registered with the NJ Department of Labor.

8. *Can providers use more than one contractor on this project?*

Yes. For example, providers could use one contractor that is a plumber to install a bathroom and a second contractor to repair the roof. Both contractors would have to be certified as a DOL Public Works Registered Contractor. Please note all General Contractor (GC) and all subcontractors must be Public Works Registered Contractors.

9. *A provider is installing FFE. Do they have to use a DOL Public Works Registered Contractor?*

If the installation will cost more than \$2,000 then a Public Works Registered Contractor must complete the work and comply with state prevailing wage and affirmative action requirements.

10. *Do you have to be a playground specialist to install a playground?*

Some contractors may hold a certification from specific playground companies, but it is not required. Playgrounds installed in New Jersey must comply with the Public Playground Safety Handbook found here in [English](#) and here in [Spanish](#).

11. *Will I need to submit a quote?*

A quote from every Public Works registered contractor completing work on a project must be uploaded with a child care provider's application. During the application review, NJEDA will assess projects for cost reasonableness and will reach out to applicants and/or contractor if there are any questions.

12. *What other verification is needed to be a contractor on this project? What about a vendor completing soft costs?*

As part of the application process, contractors must complete the **Verification of Contractor Eligibility Form** found [here](#), provide their NJ Business Registration Certificate (BRC) and any SWMVBE Certifications held. Vendors providing soft cost services will need to complete the Verification of Professional Services found [here](#). They will need to also provide their NJ Business Registration Certificate (BRC) and any SWMVBE Certifications held.

13. *What is prevailing wage?*

The New Jersey Prevailing Wage Act is a law that sets a minimum pay rate to laborers, craftspeople, and apprentices working on public works projects for each county in the state. All NJEDA projects are subject to this requirement. You can find more information about prevailing wage at: <https://www.nj.gov/labor/wageandhour/prevailing-rates/public-works/>

14. *What if we cannot complete the project after the child care provider's application is approved?*

Please notify your child care provider as soon as you determine you cannot complete the project so they may make accommodations for completing the project with another contractor.

15. *How can a contractor become a Department of Labor Public Works Contractor?*

Contractors can find more information about the registration process [here](#). Contractors may also contact DOL at pwcr@dol.nj.gov with questions.

16. *Where can a contractor be added to the NJEDA Interested Contractor list?*

Interested Public Works Registered Contractor(s) can complete a form at <https://www.njeda.com/child-care-facilities-improvement-program-public-works-contractor-interest-form/>.

17. Will contractors work on weekends and/or evenings? Are we expected to close during the construction process?

This is something you will need speak to the child care provider about. They may potentially consult with the Department of Children and Families (DCF) Office of Licensing (OOL) depending on the nature of the facility improvement to ensure they are staying in compliance with all licensing requirements. For more information about licensing requirements, please refer to the New Jersey Department of Children and Families [Manual of Requirements for Child Care Facilities](#), Subchapter 5 Facility Requirements.

18. *Are there insurance requirements for contractors?*

Yes. Prior to beginning any work, contractors and subcontractors must provide proof of the following insurance coverage:

- Commercial General Liability Insurance or its equivalent with a minimum liability of \$1,000,000 per occurrence and \$2,000,000 in the aggregate including, at minimum, coverage for death, bodily injury, and property damage to NJEDA. The policy or its equivalent will name the child care grantee and NJEDA, its officers, and employees as “Additional Insureds” on a primary, non-contributory basis for both ongoing and completed operations through the use of a blanket additional insured endorsement, or its equivalent.
- Automobile Liability Insurance which shall be written to cover any owned, hired or non-owned automobiles/vehicles used by the insured or its staff. Limits of liability for bodily injury and property damage shall not be less than \$1,000,000 per occurrence as a combined single limit. The child care grantee and NJEDA, its officers, and employees must be named as an “Additional Insured” and a blanket additional insured endorsement, or its equivalent, must be provided.
- Worker’s Compensation Insurance applicable to the laws of the State of New Jersey and shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction and Employer’s Liability Insurance with limits of no less than \$100,000/\$500,000/\$100,000.
- Umbrella/Excess Liability providing limits in addition to, and following-form, Employers’ Liability, Commercial General Liability, and Automobile Liability. Limits of no less than \$5,000,000 each occurrence and in the aggregate. Additional Insured and Primary/Non-Contributory status required in the policies above shall follow-form under this policy as well. If such insurance contains a general aggregate limit, it shall apply separately on a per project basis.