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# **Early Learning and Care Division Field Services Office**

## **Some Contract Requirements Overview Alternative Payment Programs**

**October 3, 2019**

**Presented by:**

**Early Learning and Care Division Staff**



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# Introductions





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# Agenda

- Early Learning and Care Division (ELCD) Updates
- Purpose and Goals
- Sources for Contract Requirements
- Overview of Some Alternative Payment (AP) Program Contract Requirements
- Next Steps
- Resources
- Questions

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# Early Learning and Care Division Updates (1)

## Management Bulletins (MB):

- MB 18-09(a): Electronic banking option for provider reimbursement in Alternative Payment Programs (APPs) [Management Bulletin 18-09\(a\)](#)
- MB 19-02: Early Childhood Mental Health Consultation Services and Adjustment Factors [Management Bulletin 19-02](#)
- MB 19-03: State Median Income and Income Ranking Table for Fiscal Year 2019–20 [Management Bulletin 19-03](#)

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# Early Learning and Care Division Updates (2)

- MB 19-04: Family Fee Schedule for Fiscal Year 2019–20 [Management Bulletin 19-04](#)
- MB 19-05: Implementing Optional Staff Training Days [Management Bulletin 19-05](#)
- MB 19-06: Collection of Data for the Subsidized Provider Report [Management Bulletin 19-06](#)
- MB 19-07: Continued Funding Application Fiscal Year 2020–21 [Management Bulletin 19-07](#)



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# Fiscal Year (FY) 2019-2020 Training Based on Current Regulations

The California Department of Education (CDE) is currently updating the *California Code of Regulations*, Title 5 (5 CCR).

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# Purpose & Goals

- Provide an overview on some AP Program contract requirements
- Ensure that participants understand how to find AP Program requirements and stay informed
- Support continuous quality improvement and program integrity



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# Sources of Contract Requirements

Where can I find contract requirements?

- California *Education Code (EC)*
- *California Code of Regulations, Title 5 (5 CCR)*
- Funding Terms and Conditions (FT&Cs)
- ELCD Management Bulletins (MB)
- Contractor's policies approved by its governing board





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# Sources of Contract Requirements (2)

Statutes and regulations originate in:

- The Child Care & Development Block Grant (CCDBG), the *Code of Federal Regulations*, Title 45, Part 98
- California's Child Care & Development Fund State Plan.



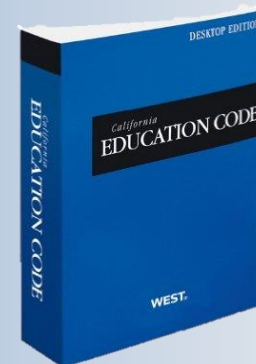
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# California *Education Code* (*EC*)

California legislative enactments are included in the *EC*. Statutes apply to child care programs identified within the Child Care and Development Services Act. Legislative and budgetary actions can happen throughout the year. ELCD will update contractors via MBs. *EC* supersedes 5 *CCR*.

**The Law:** What we must do.

(See *EC* Section 8358.5)



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## EXAMPLE: *EC* Section 8358.5

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### WHAT?

Notwithstanding any other confidentiality requirement, the government or private agency administering subsidized child care services shall share information necessary for the administration of the child care programs pursuant to this article and the CalWORKs program pursuant to Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, for the time period for which the person receives child care.

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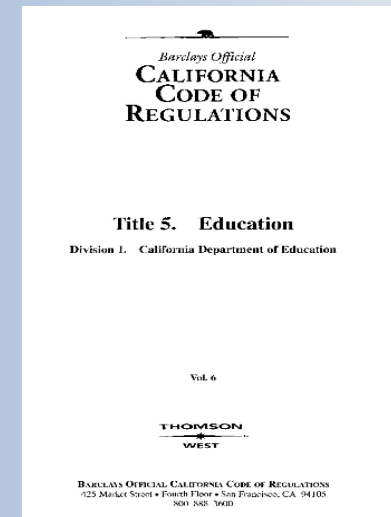
# ***California Code of Regulations, Title 5 (5 CCR)***

CCR organizes general rules and regulations that are administered by California State Agencies. Education is covered in Title 5, Division 1. Chapters 19 and 19.5 provide program operation requirements for a recipient of child care services funds made available by the CDE.

**Administration of the Law:**  
How we must do it.

[See 5 CCR Section 18415(f)]

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# EXAMPLE: 5 CCR Section 18415(f)

## Contractor Responsibilities

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### HOW?

The contractor shall permit the review of the family data file by the child's parent(s) upon request and at reasonable times and places. The family data file may be reviewed by a representative of the parent if the parent provides written authorization for the review. The use or disclosure of all information pertaining to the child and his/her family shall be restricted to purposes directly connected with the administration of the program.

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# Funding Terms and Conditions (FT&Cs)

FT&Cs are the conditions of the contract.

- Represents laws and regulations as well as program practices and requirements.

FT&Cs are available each fiscal year:

- California Department of Education Funding Terms and Conditions, and
- Program Requirements (specific contract types, i.e. CAPP, C2AP, CMAP).

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# ELCD Management Bulletins (MB)

- Periodically, MBs are issued to provide legal and regulatory information to contractors and other interested parties. MBs also include child care funding announcements.
- Current Executive Officers and Program Directors in the CDMIS database must subscribe to the e-mail distribution list.
- MBs are also available to the general public.

Anyone can subscribe to the email distribution list at:

<http://www.cde.ca.gov/sp/cd/ci/emailindex.asp>



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# Contractor's Approved Policies (1)

## 5 CCR Section 18221

- Contractors may adopt reasonable policies related to the program that are not in conflict with law, regulations, or terms of the contract including any contract amendments.
- Some regulations require contractors to develop policies.
- Some policies must be approved by the contractor's governing board, per specific regulations.





# Contractor's Approved Policies (2)

## 5 CCR Section 18221

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### **EXAMPLE:** When Contractor Must Develop Policy

The contractor shall develop and implement a **written policy statement**. The policy statement shall include information regarding:

- (a) A description of the program's purpose, design, and organization framework;
- (b) Priorities for enrollment;
- (c) Family eligibility requirements;
- (d) Conditions for participation;

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# Contractor's Approved Policies (3)

## 5 CCR Section 18221

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- (e) Reimbursement of providers which may include a limitation of 1.5 standard deviation...
- (f) Requirements for provider participation;
- (g) Range of services available including limitations, if any, on payment for in-home care; and
- (h) Parent fee collection policy and procedures including direct payment of fees to the provider, if allowable.



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# Overview of Some AP Program Contract Requirements

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# Overview of Some AP Program Contract Requirements (1)

1. Continued Funding Application
2. Information on Contactor Policies
3. Information Given to Parents
4. Procedures for Provider Participation
5. Written Information Given to Providers
6. Provider Payments
7. CalWORKS Eligibility & Duration
8. Recordkeeping Retention & Equipment Inventory
9. Prior ELCD Approval
10. When to Notify ELCD

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# Overview of Some AP Program Contract Requirements (2)

- 11. Data Collection Report
- 12. Costs
- 13. Annual Audit
- 14. Program Quality Requirements
- 15. Compliance Reviews
- 16. Contractor's Termination for Convenience
- 17. Administrative Review



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# 1. Continued Funding Application

## 5 CCR Section 18010

- Contractors have no vested right to a subsequent contract
- Accept offer to continue services
  - **Continued Funding Application (CFA)**
- CFA – respond in accordance with the instructions & timelines
- Failure to respond within the timelines shall constitute notification to ELCD of intent to discontinue at end of contract year
  - Complete the CFA on time
  - Questions? Call your Consultant

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## **2. Information on Contactor Policies (1)**

### **5 CCR Section 18221**

Contractor must develop and implement a written policy statement, to include information regarding:

- A description of the program's purpose, design, and organization framework
- Priorities for enrollment
- Family eligibility requirements
- Conditions for participation
- Reimbursement of providers which may include a limitation of 1.5 standard deviations from the mean market rate for the type of care provided as established by the most recent survey of the local resource and referral agency

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## 2. Information on Contactor Policies (2)

### 5 CCR Section 18221

- Requirements for provider participation
- Range of services available including limitations, if any, on payment for in-home care
- Parent fee collection policy and procedures including direct payment of fees to the provider, if allowable

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### 3. Information Given to **Parents** (1)

#### 5 CCR Section 18222

The contractor must provide parents with the following information upon enrollment into the program:

- The policy statement specified in 5 CCR Section 18221
- Information regarding the confidentiality of records
- Information regarding grievance procedures for parents
- Information regarding the rights of parents to change childcare settings



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### 3. Information Given to **Parents** (2) **5 CCR Section 18222**

- If the parent(s) speaks a language other than English or is (are) hearing impaired, the information must be provided through written materials or by Presentation of an interpreter in a language the parent understands



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# 4. Procedures for Provider Participation

## 5 CCR Section 18223

The contractor must develop and implement written policies and procedures for provider participation which include the following:

- Grievance procedures for **parents** and **providers** in the program.
- Maximizing parental choice with consideration of the contractor's ability to pay for the services within the funding provided in the annual child development contract.
- Acceptance, rejection, and termination of provider affiliation with the program.

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# Grievance Procedure

Definitions	Who Can Initiate	Subject Matter	How to Initiate	Local Responsibility	State Responsibility
<b>GRIEVANCE</b>	Parents and Providers	Any agency policy or practice	Determined by agency policies	To resolve the grievance based on agency policies	Ensure local grievance process is in place
<b>APPEAL</b>	Program beneficiary (parents)	An agency action that determines the benefits accruing to a parent or child	Sign the appeal form on the Notice of Action and forward to the local agency	Conduct a local hearing regarding the appeal and make an initial decision	Ensure local process complies with state rules and hear appeals of the local decision filed by the parent
<b>COMPLAINT<sup>1</sup></b>	Anyone	Any law or regulation that the California Department of Education (CDE) is authorized to enforce	A written and signed letter alleging the violation of a law or regulation the CDE is authorized to enforce received by the EESD Appeals Coordinator	If a LEA <ol style="list-style-type: none"> <li>1. Inform everyone concerning the complaint process</li> <li>2. Process the initial complaint and render an initial decision</li> </ol> If a non-LEA <ol style="list-style-type: none"> <li>1. Inform everyone of the process</li> </ol>	If a LEA <ol style="list-style-type: none"> <li>1. Ensure local process complies with state rules</li> <li>2. Hear appeals by complainants of the initial decision rendered by the LEA</li> </ol> If a non-LEA <ol style="list-style-type: none"> <li>1. Investigate and render an opinion (or otherwise resolve) the initial complaint</li> </ol>

<sup>1</sup> The description on this table only refers to complaints that the Early Education and Support Division (EESD) is authorized to investigate and resolve. Complaints involving employer/employee issues should be referred to Fair Employment and Housing; complaints involving discrimination or civil rights violations of clients or providers should be forwarded to the Department's Office of Equal Opportunity; complaints regarding licensing violations should be forwarded to the regional office of Community Care Licensing.



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## 5. Written Information Given to **Providers (1)** **5 CCR Section 18224**

The contractor must give to all providers the following information:

- A copy of the contractor's policy statements as specified in 5 *CCR* sections 18221 (e), (f), and (h), 18223, and 18226.
- A statement prohibiting any form of discrimination.
- A schedule for the payment of services signed by the provider.

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# 5. Written Information Given to **Providers (2)** **5 CCR Section 18224**

- Instructions on enrollment and attendance recordkeeping requirements.
- If a provider speaks a language other than English or is hearing impaired, the information must be provided either through written materials or by presentation of an interpreter in the language that the provider understands.

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# 6. Provider Payments (1)

## 5 CCR sections 18224.6, 18226, and the FT&Cs

- Education Code (*EC*), Section 8222
- Timely Provider Payments (21 Days Requirement)
- Monthly Attendance Record or Invoice Requirement

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## 6. Provider Payments (2)

### EC Section 8222

(a) Payments made by alternative payment programs shall not exceed the applicable market rate ceiling. Alternative payment programs may expend more than the standard reimbursement rate for a particular child.

However, the aggregate payments for services purchased by the agency during the contract year shall not exceed the assigned reimbursable amount as established by the contract for the year. No agency may make payments in excess of the rate charged to full-cost families. This section does not preclude alternative payment programs from using the average daily enrollment adjustment factor for children with exceptional needs as provided in Section 8265.5.

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## 6. Provider Payments (3)

### *EC Section 8222 (2)*

(b) Alternative payment programs shall reimburse licensed child care providers in accordance with a biennial market rate survey pursuant to Section 8447, at a rate not to exceed the ceilings established pursuant to Section 8357.

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## 6. Provider Payments (4)

### **EC Section 8222 (3)**

(c) An alternative payment program shall reimburse a licensed provider for child care of a subsidized child based on the rate charged by the provider to nonsubsidized families, if any, for the same services, or the rates established by the provider for prospective nonsubsidized families. A licensed child care provider shall submit to the alternative payment program a copy of the provider's rate sheet listing the rates charged, and the provider's discount or scholarship policies, if any, along with a statement signed by the provider confirming that the rates charged for a subsidized child are equal to or less than the rates charged for a nonsubsidized child.

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## 6. Provider Payments (5)

### **EC Section 8222 (4)**

(d) An alternative payment program shall maintain a copy of the rate sheet and the confirmation statement.

(e) A licensed child care provider shall submit to the local resource and referral agency a copy of the provider's rate sheet listing rates charged, and the provider's discount or scholarship policies, if any, and shall self-certify that the information is correct.

(f) Each licensed child care provider may alter rate levels for subsidized children once per year and shall provide the alternative payment program and resource and referral agency with the updated information pursuant to subdivisions (c) and (e), to reflect any changes.

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## 6. Provider Payments (6)

### EC Section 8222 (5)

(g) A licensed child care provider shall post in a prominent location adjacent to the provider's license at the child care facility the provider's rates and discounts or scholarship policies, if any.

(h) An alternative payment program shall verify provider rates no less frequently than once a year by randomly selecting 10 percent of licensed child care providers serving subsidized families. The purpose of this verification process is to confirm that rates reported to the alternative payment programs reasonably correspond to those reported to the resource and referral agency and the rates actually charged to nonsubsidized families for equivalent levels of services. It is the intent of the Legislature that the privacy of nonsubsidized families shall be protected in implementing this subdivision.

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# **6. Provider Payments (7)**

## **5 CCR Section 18226, MB 12-18, Funding Terms and Conditions (FT&Cs), Program Requirements**

### **Timely Provider Payments**

- The contractor shall develop and implement a plan for the timely reimbursement to providers. The plan shall include a provision requiring that providers be reimbursed within 21 calendar days of the receipt of a complete record or invoice for services, per FT&C page 53
- The plan must include a description of parent fee collection methods, per 5 CCR Section 18221(h)



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# 6. Provider Payments (8)

## 5 CCR Section 18226, MB 12-18, Funding Terms and Conditions (FT&Cs), Program Requirements

### Timely Provider Payments (2)

- Contractors must have a schedule for payment to providers. Include a specific date when attendance records are due for providers to receive timely payment
- ELCD strongly recommends contractors have more than one date when payments will be made, and a final date when attendance records must be submitted for payment.
  - <http://www.cde.ca.gov/sp/cd/ci/mb1218.asp>

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## **6. Provider Payments (9)**

### **EC Section 8221.5 and MB14-04**

#### **Monthly Attendance Record or Invoice Requirement**

- Child care providers must submit to the AP Program a monthly attendance record or invoice for each child who received services. The monthly attendance record or invoice must include:
  - Name of the child receiving services
  - Specific dates services were provided
  - Actual times the child entered and left care for each day services were provided, and recorded on a daily basis

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## **6. Provider Payments (10)**

### **EC Section 8221.5 and MB14-04**

#### **Monthly Attendance Record or Invoice Requirement (2)**

- Signatures from both provider and parent at the end of each month, attesting under penalty of perjury, that the information provided on the attendance record or invoice is accurate
- When the attendance record or invoice meets the requirements (i.e. child's name, dates of service, daily actual times of entry/departure, signatures) contractors must reimburse providers for services that are consistent with the voucher issued.

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## **6. Provider Payments (8)**

### **EC Section 8221.5 and MB14-04**

#### **Monthly Attendance Record or Invoice Requirement (3)**

- Contractors do not have the authority to reduce or withhold reimbursement from a provider for any attendance record or invoice that includes all the required elements.
- If the attendance record(s) was fraudulently completed, contractors must follow their written policies and take appropriate action.

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# 7. CalWORKS **Stage 2** Eligibility & Duration

## **EC Section 8353 and 5 CCR sections 18408 (d), 18406 and 18407**

CalWORKS Stage 2 (C2AP) is an entitlement program

- Recipients receiving CalWORKs cash aid are categorically eligible to receive C2AP child care services as long as they are in an approved CalWORKs activity or employed.
- Former CalWORKs cash aid recipients are entitled for up to 24 months of Stage 2 child care as long as they meet eligibility and need requirements.



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# 7. CalWORKS **Stage 2**

## Eligibility & Duration (2)

### **EC Section 8353 and 5 CCR sections 18408 (d), 18406 and 18407**

#### CalWORKS Stage 2 Eligibility Duration

- Contractor's policies regarding family eligibility must not supersede the categorical eligibility of a family receiving CalWORKs cash aid.
- Categorically eligible families should not be **terminated for violation of contractor's policies**, instead:
  - Contractor shall notify the county welfare department of the actions of the family that violated the contractor's policies in order to determine what action(s) may be taken.

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# 7. CalWORKS **Stage 2**

## Eligibility & Duration (3)

### **EC Section 8353 and 5 CCR sections 18408 (d), 18406 and 18407**

–The contractor may take additional steps to remedy the situation that include but are not limited to:

- Developing a jointly agreed upon plan with the county welfare department for specific services to be provided to the family by the county welfare department.
- Jointly determining with the county welfare department whether the family would better be served in CalWORKs Stage One (1)



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# 7. CalWORKS **Stage 2**

## Eligibility & Duration (4)

### **EC Section 8353 and 5 CCR sections 18408 (d), 18406 and 18407**

## Management Bulletin 18-05

**Subject:** Transfer of Families into a California Work Opportunity and Responsibility to Kids Stage 2 Child Care Program

**Directive:** “Ensure the transfer of the nine data elements is completed in a seamless and timely manner.” Only that information **must** be received by the Stage 2 contractor in order to transfer the family into Stage 2.



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# 7. CalWORKs **Stage 3**

## Eligibility and Duration

### 5 CCR Sections 18421, 18422 and 18423

- **CalWORKS Stage 3 (C3AP)** is the third stage of CalWORKs. Child care services are administered by the CDE through contracts with alternative payment program providers pursuant to *EC* Section 8354.
- Stage 3 child care begins when a CalWORKs family receiving Stage 1 or Stage 2 child care services has fully utilized the family's 24 months of eligibility to Stage 1 and Stage 2 child care services following the date the adult stopped receiving cash assistance.

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## 7. CalWORKs **Stage 3** Eligibility and Duration (2)

### 5 CCR Sections 18421, 18422 and 18423

- A family is eligible to receive C3AP child care services if all of the following conditions are met:
  - The family is and remains income eligible. A family is income eligible if the family's adjusted monthly income based upon the family size is at or below Eighty-five percent (85%) of the state median income. Adjusted monthly income is the total countable income received by members of the family included in the family size determination minus verified child support payments paid by the parent whose child is receiving child care services. Except for child support payments paid by the parent, monthly income shall not be adjusted because of voluntary or involuntary deductions 5 CCR Section 18421(a)(1).

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# 7. CalWORKs **Stage 3**

## Eligibility and Duration (3)

### 5 CCR Sections 18421, 18422 and 18423

- Unlike Stages 1 and 2, after initial enrollment into a C3AP, child care services will be continued as long as the child meets the requirements of 5 CCR Section 18422; ***and***
- The family continues to meet eligibility requirements of 5 CCR Section 18421; ***or***
- The contractor has received a referral for child protective services 5 CCR 18423(b); ***or***





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# 7. CalWORKs **Stage 3**

## Eligibility and Duration (4)

### 5 CCR Sections 18421, 18422 and 18423

#### (2)

- If being reimbursed by state funds, the family is income eligible and the child has a medical or psychiatric special need that cannot be met without the provision of child care services as documented by the family data file 5 CCR Section 18089 (Child's Exceptional Needs).



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## **7. CalWORKs Stage 3** **5 CCR Section 18420 (c)**

### **Service Coordination**

Contractors administering C3AP programs in counties where there are multiple contractors, shall coordinate services and cooperate to ensure all eligible families receive, and continue to receive services. Contractor may coordinate across counties so that eligible families living in, employed in, or receiving child care services in the county continue to receive services.

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# 8. Recordkeeping Retention and Equipment Inventory

## 5 CCR Section 18067 and EC Section 35168

- Records must be kept for minimum of 5 years.  
Contractor has the burden of supporting claims for reimbursement
- Maintain Inventory of Equipment
  - Description
  - Serial number or Other Identification Number
  - The Source of Funding
  - Date of Acquisition
  - Original cost
  - Location, Use and Conditions
  - Any Disposition date including date of disposal and sale price, if applicable

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## 8. Recordkeeping Retention and Equipment Inventory (2)

### 5 CCR Section 18067 and EC Section 35168

- Must reconcile physical inventory with property records every two (2) years (FT&Cs)

Inventory Record Form:

<http://www.cde.ca.gov/sp/cd/ci/documents/ELCD86042014.pdf>



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## 9. Prior ELCD Approval

- Programmatic changes require a **Program Narrative Change** (PNC) form (ELCD 3704)
  - Site Changes
    - Examples: Open a new office or close an existing office, changes to the service area, changes to the original Request For Application (RFA)
  - Changes to the Minimum Days of Operation (MDO)
    - An increase or decrease of the MDO
    - Requires a revised calendar and PNC form
    - Must be completed within the fiscal year

PNC Form ELCD 3704:

<http://www.cde.ca.gov/sp/cd/ci/documents/ELCD3704a.pdf>

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## 9. Prior ELCD Approval (2)

- **Out of State Travel** Form CD-2700 ([5 CCR Section 18041](#))
  - One **employee** per contract year
  - Limitations for Approval: conditional contract status, delinquent account payable, no benefit to the state, or benefit can be provided within California
  - Out of State Travel to the following States is currently banned, and will not be reimbursed by CDE:
    1. Alabama
    2. Kansas
    3. Kentucky
    4. Mississippi
    5. North Carolina
    6. Oklahoma
    7. South Carolina
    8. South Dakota
    9. Tennessee
    10. Texas

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## 9. Prior ELCD Approval (3)

- Private and Public Agencies must obtain approval from CDE for Equipment Purchases, Replacements and Improvements
  - Approval needed before the purchase
    - Per unit acquisition cost equals or exceeds \$5,000 (including tax)
    - The sum of all items related to the purchase exceeds \$10,000 (including tax)

Use the Equipment Purchase Approval Request form CD-2703 (5 CCR Section 18040)

<http://www.cde.ca.gov/sp/cd/ci/documents/cd2703.pdf>



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## 9. Prior ELCD Approval (4)

- Equipment Purchases, Leases, Replacements, Improvement (Repair & Renovation)
  - Local Education Agencies (LEAs) and Public Agencies: Must comply with the Public Contract Code (PCC), no bids required
    - \$10,000 (including tax) or more require approval
  - Private Agencies: \$5,000 (including tax) or more requires approval
    - 3 bids
    - Competitive procurement practices
    - If subcontracting, follow 5 CCR Section 18029





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## 9. Prior ELCD Approval (5)

- Subcontracting: LEAs & Private Agencies
  - Limitations & Requirements for Approval are stipulated in the Funding Terms and Conditions (FT&C)
  - Bookkeeping and auditing agreements that exceed \$5,000 need prior approval
  - Prior Approval needed for subcontracts \$10,000 or above

**Approval requests can take up to 30 days of receipt of the request to process. If denied, contractor may appeal the decision.**



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# 10. When to Notify ELCD

## Notify Your Consultant

- Change in headquarter address in writing, within 30 calendar days prior to change. Additional documents will be requested.
- Change in mailing address for contract communication purpose within 10 calendar days of address change ([5 CCR Section 18014](#))
- Change of Executive Director or Program Director. Update information in CDMIS database for approval
  - Name, Phone #, Fax #, address & e-mail address
  - For program director identify which contracts types

**Questions? Call 916-445-1907 or e-mail**  
**[CDMIS@cde.ca.gov](mailto:CDMIS@cde.ca.gov)**



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# 11. Data Collection Report

## 5 CCR Section 18070

- 801A – Child Care Population Information submitted electronically
  - Accuracy
  - Timely
  - Monthly
  - ✓Withholds **5 CCR Section 18056(2)**
- 801B – Sample Data of Selected Families
  - Accurate
  - Timely
  - Reporting occurrences vary (if contractors serve over 500 children may be monthly)
  - ✓Withholds **5 CCR Section 18056(2)**

**Questions? Call 916-445-1907 or e-mail**  
**[CDMIS@cde.ca.gov](mailto:CDMIS@cde.ca.gov)**

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# 12. Costs

## 5 CCR sections 18034 and 18035

- Reimbursable costs - Contractors will be reimbursed for actual costs that are **reasonable and necessary** to the performance of the contract



### Examples:

- Administrative cost not to exceed 17.5 percent for Alternative Payment Programs
- Employee compensation
- Equipment (may need prior approval)
- Support services that help promote the healthy physical, mental, social and emotional growth of children and families (For C2AP, C3AP, CAPP, CFCC and CMAP)
- Others



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# 12. Costs (2)

## 5 CCR sections 18034 and 18035

- Non reimbursable costs - Contractors will not be reimbursed under ELCD contracts

### Examples:

- Bad debt
- Cost of fines or penalties
- Fundraising costs
- Contributions
- State and federal income taxes
- Costs that are not adequately documented
- Costs incurred after the contract has been terminated
- Others



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# 13. Annual Audit

## 5 CCR sections 18032, 18071, 18072, and 18073

Contractors must submit an acceptable annual fiscal and compliance audit.

- Non LEAs – Audit due by November 15th submitted to CDE. A one-time only, 30 calendar day extension may be granted, unless on conditional status
- LEAs – Audit due by November 15<sup>th</sup> submitted to State Controller (if granted an extension, December 31)
- Must be performed by a Certified Public Accountant, or a member of CDE staff of auditors
- Subcontracts must also be audited
- CDE Office of External Audits will review the audits
- Audits not submitted by due date are delinquent and apportionments will be subject to withhold

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# 14. Program Quality Requirements

- Program Philosophy, Goals, and Objectives
- Staff Development Program
- Program Self-Evaluation
- Community Involvement

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# 14. Program Quality Requirements (2)

## Program Philosophy, Goals and Objectives

### 5 CCR Section 18271(a)(c)

- Written philosophy statement approved by the governing board
- Goals and Objectives must reflect the cultural and linguistic characteristics of the families served

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# 14. Program Quality Requirements (3)

## Staff Development Program – Must include:

### 5 CCR Section 18274

- Identify training needs of staff or service providers
- Written job descriptions
- Orientation plan for new employees
- Annual staff evaluation
- Staff development opportunities related to job descriptions & identified needs
- Internal communication system

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# 14. Program Quality Requirements (4)

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**Program Self-Evaluation (PSE) – Must develop and implement an annual plan that includes**  
**(5 CCR Section 18279):**

- ELCD Program Instrument
- Written documentation of assessment of program by staff and board members
- Parent survey, a questionnaire, completed by parents to assess child care services received and how the program supports families

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# 14. Program Quality Requirements (5)

## Program Self-Evaluation (PSE) (2)

- Analysis and modification of the program - address any areas needing improvement and development of procedures for on-going monitoring and maintenance of good practices
- Due June 1 of each year. Annual Management Bulletin provides instructions for submission

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# 14. Program Quality Requirements (6)

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**Community Involvement - Must include, but is not limited to:**

**(5 CCR Section 18277):**

- Solicit support from the community, including solicitation of goods and services
- Provide information to the community regarding available services

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# 15. Compliance Reviews

## 5 CCR Section 18023

At least once every three (3) years, and as resources permit, the CDE shall conduct reviews at the contractor's office(s) and operating facility(ies) to determine the contractor's compliance with applicable laws, regulations and/or contractual provisions.



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# 15. Compliance Reviews (2)

## 5 CCR Section 18023

### **Federal Program Monitoring Review (FPM)**

Local Education Agency (LEA)

### **Contract Monitoring Review (CMR)**

- LEA
- Community Based Organization (CBO) or
- Non Local Education Agency (Non-LEA)

### **Error Rate Review (ERR)**

Contract types that will have an error rate review:

- CCTR (LEA and Non-LEA)
- CAPP, C2AP, C3AP, CMAP
- CMIG, CHAN, CFCC



# 15. Compliance Reviews (3)

## 5 CCR Section 18023

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- Improper Payments Elimination and Recovery Improvement Act (IPERIA) – A state-wide federal review that occurs every three years.



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# 16. Contractor's Termination for Convenience

## 5 CCR Section 18024

A contractor may terminate the contract for any reason during the contract term.

- Notify the ELCD in writing of intent to terminate the contract **at least 90** calendar days prior to last of service.

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# 16. Contractor's Termination for Convenience (2)

## 5 CCR Section 18024

- Within 15 days from the date the contractor notifies ELCD, the contractor must submit:
  - A current inventory of equipment purchased in whole or in part with contract funds.
  - The names, addresses and telephone numbers of all **families** served by the contract and all **staff members** funded by the contract.
  - Family child care home education networks and AP programs must also submit the names, addresses and telephone numbers of all providers of subsidized services funded by the contract.



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# 17. Administrative Review

## 5 CCR Section 18303

- Contract performance must be reviewed by ELCD by April 1 of each year. ELCD decides whether to offer continued funding on a clear contract, continued funding on a conditional basis, or to make no offer of continued funding.
- If ELCD staff recommends conditional status or no offer of continued funding, the contractor will be notified by letter of the reasons for the proposed change by April 7.
- If the contractor disagrees with the proposed action, the contractor must appeal within 10 days of receipt of the letter. Instructions on the appeal process is contained within the letter.

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# 17. Administrative Review (2)

## 5 CCR Section 18303

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- The contractor's appeal response must include any written materials to support its position, and a request to make an oral presentation, if desired.
- An Administrative Review Panel (ARP) will review the ELCD staff recommendation and the contractor's response, then do one of the following:
  - If no oral presentation requested, issue a decision letter to not change the contract status or uphold/modify the proposed change in status.

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# 17. Administrative Review (3)

## 5 CCR Section 18303

- If an oral presentation was requested, the contractor will be notified of the date, time and place. Presentation can be done via telephone or in person.
- Within seven (7) calendar days, ARP will issue a decision letter to the contractor of its decision to uphold, reverse or modify the proposed change in contract status.
- ARP's decision is **FINAL**.



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# Next Steps

- Reflect on your current policies, procedures, and practices.
- Change or modify policies and procedures to ensure alignment with applicable statutes and regulations. Distribute updated materials to concerned parties i.e. parents, general public.
- Ensure that you have all active management bulletins.
- Contact your FSO Consultant for technical assistance.



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# Next Steps (2)

- FSO will continue to support continuous improvement by providing trainings via webinars, in-person and in clusters as needed and requested.
- Work toward standardization of policies, procedures, and practices.



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# Questions?





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# Contact Information

## Field Services Office Consultants

<http://www.cde.ca.gov/sp/cd/ci/assignments.asp>

### Cassandra U. Lewis, FSO Consultant

[clewis@cde.ca.gov](mailto:clewis@cde.ca.gov)

### Paul Saucedo, GAU Manager

[PSaucedo@cde.ca.gov](mailto:PSaucedo@cde.ca.gov)

### Vanessa Saunders, GAU Manager

[VSaunders@cde.ca.gov](mailto:VSaunders@cde.ca.gov)

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<b>GRIEVANCE APPEAL COMPLAINT PROCESS</b>					
	<b>Who Can Initiate</b>	<b>What to Initiate</b>	<b>Complainant Responsibility</b>	<b>Local Responsibility</b>	<b>State Responsibility</b>
<b>GRIEVANCE</b>	Parents and Providers	Any agency policy or practice	Follow agency grievance process	To resolve grievance based on agency policies	To ensure local grievance process is in place and implemented
<b>APPEAL</b>	Program Beneficiary (Parent)	Any agency action that determines the benefits accruing to a parent or child	Sign the appeal form on the Notice of Action and forward to the local agency	Conduct a local hearing regarding the appeal and make an initial decision	Ensure local process complies with state rules and hear appeals of the local decision filed by the parent
<b>COMPLAINT<sup>1</sup></b>	Anyone	Any law or regulation that the California Department of Education is authorized to enforce	A written and signed letter alleging the violation of the law or regulation the California Department of Education is authorized to enforce received by the ELCD Appeals Coordinator	<p><b>If an LEA<sup>2</sup></b></p> <ol style="list-style-type: none"> <li>1. Inform everyone concerning the complaint process – <b>Uniform Complaint Procedures (UCP)<sup>3</sup></b></li> <li>2. Process the initial complaint and render a decision</li> </ol> <p><b>If Non-LEA</b></p> <ol style="list-style-type: none"> <li>1. Inform every one of the complaint process – UCP</li> </ol>	<p><b>If an LEA</b></p> <ol style="list-style-type: none"> <li>1. Ensure parents, providers and the general public at large has been informed of the UCP process</li> <li>2. Ensure local process complies with state rules</li> <li>3. Hear appeals by complaints of the initial decision rendered by the LEA</li> </ol> <p><b>If Non-LEA</b></p> <ol style="list-style-type: none"> <li>1. Ensure parents, providers and the general public at large has been informed of the UCP process</li> <li>2. Investigate and render opinion (or otherwise resolve) the initial complaint</li> </ol>

<sup>1</sup> The description on this table only refers to complaints that the Early Learning and Care Division (ELCD) is authorized to investigate and resolve. Complaints involving employer/employee issues should be referred to Fair Employment and Housing; complaints involving discrimination or civil rights violations of clients or providers should be forwarded to the Department's Office of Equal Opportunity; complaints regarding licensing violations should be forwarded to the regional office of Community Care Licensing.

<sup>2</sup> LEA: Legal Education Agency (means a school district, a county office of education, a community college district, or a charter school)

<sup>3</sup> Uniform Complaint Procedures (UCP): The responsibilities of the complainant, the local educational agency, and the California Department of Education according to *California Code of Regulations*, Title 5, sections 4600-4687. (<https://www.cde.ca.gov/re/cp/uc>)

<b>GRIEVANCE APPEAL COMPLAINT PROCESS</b>					
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