

**CALIFORNIA DEPARTMENT OF EDUCATION**

1430 N Street

Sacramento, CA 95814-5901

F.Y. 19 - 20**Amendment 01****DATE:** July 01, 2019**CONTRACT NUMBER:** CCTR-9025**PROGRAM TYPE:** GENERAL CHILD CARE &
DEV PROGRAMS**PROJECT NUMBER:** 07-02207-00-9**LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES**

Budget Act/Rate Change/Add Pilot Language

CONTRACTOR'S NAME: CONTRA COSTA COUNTY EMPLOYMENT & HUMAN SERVICES DEPARTMENT

This agreement with the State of California dated July 01, 2019 designated as number CCTR-9025 shall be amended in the following particulars but no others:

The Contractor agrees to comply with the terms and conditions of the Contra Costa County Local Individualized Subsidized Child Care Plan (hereafter the "CONTRA COSTA COUNTY PILOT PLAN") as specifically approved by letter from the California Department of Education, dated May 8, 2019. The Contract must meet the specifications of the GENERAL CHILD CARE AND DEVELOPMENT PROGRAM REQUIREMENTS except where the CONTRA COSTA COUNTY PILOT PLAN allows for exceptions.

The Maximum Reimbursable Amount (MRA) payable pursuant to the provisions of this agreement shall be amended by deleting reference to \$3,734,214.00 and inserting \$3,855,946.00 in place thereof.

The Maximum Rate per child day of enrollment payable pursuant to the provisions of the agreement shall be amended by deleting reference to \$47.98 and inserting \$49.54 in place thereof.

SERVICE REQUIREMENTS

The minimum Child Days of Enrollment (CDE) Requirement shall be 77,835.0. (No Change)

Minimum Days of Operation (MDO) Requirement shall be 252. (No change)

EXCEPT AS AMENDED HEREIN all terms and conditions of the original agreement shall remain unchanged and in full force and effect.

STATE OF CALIFORNIA		CONTRACTOR	
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)	
PRINTED NAME OF PERSON SIGNING Jaymi Brown,		PRINTED NAME AND TITLE OF PERSON SIGNING Kathy Gallagher, Director	
TITLE Contract Manager		ADDRESS 40 Douglas Drive, Martinez, CA 94553	
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 121,732	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs	FUND TITLE	
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 3,734,214	(OPTIONAL USE) See Attached	Department of General Services use only	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 3,855,946	ITEM See Attached	CHAPTER	STATUTE
	OBJECT OF EXPENDITURE (CODE AND TITLE) 706	FISCAL YEAR	
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.		T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER See Attached		DATE	

CONTRACTOR'S NAME: CONTRA COSTA COUNTY EMPLOYMENT & HUMAN SERVICES DEPARTMENT

CONTRACT NUMBER: CCTR-9025

Amendment 01

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE Federal	
PRIOR AMOUNT ENCUMBERED \$ 915,756	(OPTIONAL USE)0656 FC# 93.596 PC# 000321 13609-2207			
TOTAL AMOUNT ENCUMBERED TO DATE \$ 915,756	ITEM 30.10.020.001 6100-194-0890	CHAPTER B/A	STATUTE 2019	FISCAL YEAR 2019-2020
	OBJECT OF EXPENDITURE (CODE AND TITLE) 706 SACS: Res-5025 Rev-8290			

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE Federal	
PRIOR AMOUNT ENCUMBERED \$ 420,967	(OPTIONAL USE)0656 FC# 93.575 PC# 000324 15136-2207			
TOTAL AMOUNT ENCUMBERED TO DATE \$ 420,967	ITEM 30.10.020.001 6100-194-0890	CHAPTER B/A	STATUTE 2019	FISCAL YEAR 2019-2020
	OBJECT OF EXPENDITURE (CODE AND TITLE) 706 SACS: Res-5025 Rev-8290			

AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 121,732	PROGRAM/CATEGORY (CODE AND TITLE) Child Development Programs		FUND TITLE General	
PRIOR AMOUNT ENCUMBERED \$ 2,397,491	(OPTIONAL USE)0656 23254-2207			
TOTAL AMOUNT ENCUMBERED TO DATE \$ 2,519,223	ITEM 30.10.020.001 6100-194-0001	CHAPTER B/A	STATUTE 2019	FISCAL YEAR 2019-2020
	OBJECT OF EXPENDITURE (CODE AND TITLE) 706 SACS: Res-6105 Rev-8590			

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.	T.B.A. NO.	B.R. NO.
SIGNATURE OF ACCOUNTING OFFICER	DATE	



CALIFORNIA DEPARTMENT
OF EDUCATION

TONY THURMOND
STATE SUPERINTENDENT OF
PUBLIC INSTRUCTION

1430 N STREET, SACRAMENTO, CA 95814-5901 • 916-319-0800 • WWW.CDE.CA.GOV

May 8, 2019

Susan K. Jeong, Local Planning Council Coordinator
Contra Costa County Office of Education
77 Santa Barbara Road
Pleasant Hill, CA 94523

Dear Ms. Jeong:

Subject: Contra Costa County Local Individualized Subsidized Child Care Plan

Thank you for submitting your Contra Costa County Pilot Plan Template modification. This letter is to inform you that the California Department of Education (CDE), Early Learning and Care Division (ELCD), has approved one of the components of the Contra Costa County Individualized Child Care Subsidy Pilot Plan Template, as submitted on February 14, 2018. Additionally, the ELCD approved the removal of the items four and five, originally approved December 28, 2018.

As we reviewed your submitted documents, we gave special attention to the goals Contra Costa County set and the problems Contra Costa County is trying to solve by superseding state law. We then looked for data in your documentation that illustrates this problem. In some cases, we need further clarification on certain aspects of your plan. Below, we provide comments and ask for further clarification. Your responses to these questions will help the CDE better understand how the policy changes you seek to make will enable Contra Costa County to meet your local goals while also establishing a baseline for future assessments and evaluations of the policy changes pursuant to California *Education Code* (EC) Section 8332.4(c).

Item 2 is approved as follows, and will become effective May 8, 2019 and shall be implemented immediately. If you do not want to implement until July 1, 2019, please send an email to ELCDPilots@cde.ca.gov immediately requesting to delay the start date to July 1, 2019:

Item 2: A family shall be considered to meet all eligibility and need requirements for subsidized child development services, for not less than 24 months, except for families seeking employment if applicable [EC 8263 (h)(1)].

The item is approved based on the county's goal to increase stability of child care placement. The expected measurable outcomes as stated are time in service and year to year retention for children in all contract types. However, in order to be able to

Susan K. Jeong, Local Planning Council Coordinator
Contra Costa County Office of Education
May 8, 2019

measure progress in the first year evaluation, Contra Costa County will need to provide more specific baseline retention information for all contract types. The CDE will reach out to Contra Costa County to identify baseline information.

The following items will be removed from your approved Pilot Plan effective July 1, 2019:

Item 4: "Three year old children" means children who will have their third birthday on or before December 1st of the fiscal year in which they are enrolled in a California state preschool program and may include children who turn three after December 1, upon attainment of their third birthday [EC Section 208(ai)].

This item becomes a statewide policy per implementation of Assembly Bill (AB) 2626 which becomes effective July 1, 2019. The ELCD pilot team understands you have requested to drop this item from your original pilot plan. However, if at anytime Contra Costa County has implemented the policy since the original approval date (December 28, 2018) up to May 8, 2019, the day ELCD agreed to remove this policy, your annual evaluation report must cover this period.

Item 5: "Three year old children" means children who will have their third birthday on or before December 1st of the fiscal year in which they are enrolled in a California state preschool program and may include children who turn three after December 1, upon attainment of their third birthday [EC Section 208(ai)].

This item becomes a statewide policy per implementation of AB 2626 which becomes effective July 1, 2019. The ELCD pilot team understands you have requested to drop this item from your original pilot plan. However, if at anytime Contra Costa County has implemented the policy since the original approval date (December 28, 2018) up to May 6, 2019, the day ELCD agreed to remove this policy, your annual evaluation report must cover this period.

The following items pending approval:

Item 11: The maximum standard reimbursement rate shall be \$51.21 for full-day California state preschool programs [EC 8265 (b)].

The ELCD is seeking guidance on the use of unearned California State Preschool Program (CSPP) expansion funding to increase rates. The intent of CSPP expansion funding is to increase access to services, however raising rates could result in less accessibility.

Item 12: The maximum standard reimbursement rate shall not exceed \$31.49 per day for part-day California state preschool programs.

The ELCD is seeking guidance on the use of unearned CSPP expansion funding to increase rates. The intent of CSPP expansion funding is to increase access to services, however raising rates could result in less accessibility.

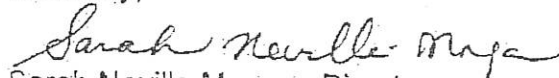
Susan K. Jeong, Local Planning Council Coordinator
Contra Costa County Office of Education
May 8, 2019

Both items 11 and 12 are rate increases. Therefore, they can only become effective at the beginning of the following fiscal year. The ELCD will resolve this issue and provide a response prior to July 1, 2019.

The CDE appreciates your strong commitment to Contra Costa County's children and families and your willingness to work with the CDE Pilot Team to ensure we have information that ultimately will benefit all of California's children and families.

If you have any questions about the information we have requested, please contact us by email at ELCDPilots@cde.ca.gov. In addition, if you would like to have a conference call or a meeting to discuss any of the unapproved items and the related data needs, please let the Pilot Team know.

Sincerely,



Sarah Neville-Morgan, Director
Early Learning and Care Division

SN:cl

Contra Costa County Subsidized Child Care Pilot Plan Template

Proposed Local Policy	What data collected in the "needs assessment" local policy?	What goal does this meet?	Expected Measurable Outcomes
<p>Eligibility</p> <p>The agency will follow state regulations.</p>			
<p>1. For purposes of establishing initial income eligibility, "initial income eligible" means that a family's monthly adjusted income is at or below 85%. For example, 85% SMI of the state median income, adjusted for family size (EC 8263.1).</p> <p>2. A family shall be considered to meet all eligibility and need requirements for subsidized child development services, for not less than 24 months, except for families seeking employment if applicable (EC 8263 (h)(1)).</p>	<p>There was a total of 7,000 children enrolled in subsidized child care and development programs in the county (Addendum A, page 13) in 16-17, 17-18 Contra Costa County providers with CSPP and General Child Care (CCTR) contracts returned more than \$3.4 million allocated to child care in the county. With funding for approximately 8,000 children ages 0-8 years, just over 7,000 children received subsidized care. CSPP accounted for the largest share of unearned funds, with more than 18 % of contract dollars unearned. Based upon ELCD retention data records and contractor underearnings assessments, this gap in services was caused by the inability to quickly fill vacancies due to parent incomes exceeding the 70% ceiling in place at this time and the loss of child days of enrollment earnings when it takes multiple weeks to replace unexpected vacancies caused by re-certifications that abruptly ends their child's care. In FY 16/17 using Contra Costa County Data __ 16/17 provided by ELCD, three agencies head quartered and exclusively serving children in Contra Costa County had 660 CSPP subsidized vacancies in that year. This applies to all contract types in Contra Costa Subsidy Pilot The FY 16/17 Contra Costa County retention rate for preschool children in care is 17.2% Contra Costa County is 9.86% The statewide average agency retention rate is 35% (ELCD 801 FY2016-17CSPP). The 660 CSPP vacancies could have been reduced by at least 50% with 24 month family eligibility. The FY 16/17 Contra Costa County retention rate for infants is approximately 35-50%. This represents a serious underuse of subsidized child care funds for Contra Costa County and hurts working parents.</p>	<p>This element supports both of the main goals of the Contra Costa County individualized child care subsidy plan (Addendum A p 1,17). Goal 1: The pilot will better meet the early education and child care needs of families in Contra Costa County through policies that support low-income families and promote stable care. Goal 2. The pilot will expand subsidized care by implementing policies that improve reimbursement rates for contractors, promote contractor retention, and reduce unearned contract funds. Specifically 24 month eligibility will increase the stability of care placements for families, reduce the number of children in preschool who are served for less than 2 years due to family eligibility changes, lessen the disruption of services to children and families and more fully utilize subsidized funds for child care in Contra Costa County.</p>	<p>Time in services and year-to-year retention for children in subsidized care by contract type. Data provided by ELCD 801 FY 19-20 CCTR and CSPP</p>
<p>3. Children enrolled in part-day California State Preschool Programs may be eligible for up to two 180-day periods within a 24 month period without the family being certified as a new enrollment each year (EC 8263).</p>	<p>The agency will follow state regulations.</p>		
<p>4. "Three year old children" means children who will have their third birthday on or before December 1st of the fiscal year in which they are enrolled in a California state preschool program (EC 8208(a)).</p> <p>5. Other: Children who turn three after December 1st of the fiscal year are allowed to enroll immediately on their third birthday (EC 8208(a)).</p>	<p>The agency will follow state regulations.</p>		
<p>Fees</p> <p>The agency will follow state regulations.</p>			
<p>6. The Pilot establishes family fee schedule. Attach documentation and include methodology of revised fee schedule (EC 8273).</p> <p>7. Other: fees including, but not limited to, family fees, sliding scale fees, and copayments for those families not income eligible.</p>	<p>The agency will follow state regulations.</p>		
<p>Reimbursement Rates</p>			

Contra Costa County Subsidized Child Care Pilot Plan Template

1	18. For limited English-speaking and non-English-speaking children who are 2 years of age through kindergarten age, the adjustment factor shall be 1:1; [EC 8265.5(b)(7)] ___ Apply adjustment factor to children less than 2 years old. ___ Apply adjustment factor to School age children.	The agency will follow state regulations.			
1	19. For seeking permanent housing, services shall occur on no more than five (5) days per week and for less than 32.5 hours per week (5CCR 18091).	The agency will follow state regulations.			
1	20. For seeking employment services shall occur on no more than five (5) days per week and for less than 32.5 hours per week (5CCR 15056.5).	The agency will follow state regulations			
12	21. The maximum standard reimbursement rate shall be \$51.21 for full-day California state preschool programs [EC 8265 (b)].	Children in Contra Costa County are less likely than children in other California counties to qualify for subsidized child care, because of family incomes above the statewide income threshold, housing costs are higher, unsubsidized care is higher than California overall and reimbursement rates for direct service providers are well below market rates in the county, even though regulations for subsidized care make it substantially more expensive to provide (Addendum A Subsidy plan p.4.6-12) (Addendum B Contra Costa County Needs Assessment p33-36). The maximum reimbursement for state preschool contracts is 40% below the maximum reimbursement for vouchers for preschool children in child care programs in Contra Costa County and more than 25% below the reimbursement for family child care.	*Move closer to RMR for Contra Costa County. Expand subsidized care by implementing policies that improve reimbursement rates for contractors, promote contractor retention, and reduce unearned contract funds.		Unearned contract funds in CSPP; retention of CSPP contractors; increase in number of adjusted child days of enrollment compared to baseline.
12	22. The maximum standard reimbursement rate shall not exceed \$31.49 per day for part-day California state preschool programs.	Same as above			
1	23. The maximum standard reimbursement rate for all other non-AP programs shall be <insert daily rate>.	The agency will follow state regulations.			
1	24. Other reimbursement and/or adjustment factors.	The agency will follow state regulations.			
1	25. Eliminate the requirement that at least one-half of the children enrolled at a preschool site shall be four- year old children [EC 8239(b)].	The agency will follow state regulations			
Methods of Maximizing the Efficient use of Subsidy Funds					