

Fiscal Year 2016–17

California State Preschool Program
Expansion Funding
Request for Applications
Program Overview



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PROGRAM OVERVIEW

Program Description and Requirements

The California Department of Education (CDE), Early Education and Support Division (EESD) announces the availability of 2,959 slots for full-day/full-year California State Preschool Program (CSPP) services. This funding is only available to successful Local Educational Agency (LEA) applicants who intend to begin providing CSPP services on or after April 1, 2017.

The CSPP funds will be used to provide services for age-eligible three and four-year-old California children. The CSPP age eligible definitions are as follows:

- Three-year-old children are defined as children who will have their third birthday on or before September 1 of the fiscal year they are being served.
- Four-year-old children are defined as children who will have their fourth birthday on or before September 1 of the fiscal year they are being served.

The intent of this Request for Applications (RFA) is to expand full-day/full-year CSPP services statewide. The RFA funding opportunity is available to existing LEA CSPP contractors, to existing contractors that do not have a LEA CSPP contract, or to new contractors without EESD program contracts. These funds are intended to increase the availability of CSPP services to eligible children. The CSPP services should be provided based on the needs of families in the communities being served. In accordance with existing law, priority will be given to applicant LEA contractors that will be serving the highest percentage of four-year-old children.

The new Federal Every Student Succeeds Act (ESSA) was signed into law on December 10, 2015. The ESSA encourages the LEA to focus on preschool program coordination, quality, and broadening access to early childhood education. The ESSA represents a commitment to expand our nation's investment in high-quality preschool. For further information regarding the ESSA, including program contacts and resource links, please refer to the CDE Editorials and Letters Web page at <http://www.cde.ca.gov/nr/el/le/yr16ltr0114.asp>.

The Alignment of the Preschool Learning Foundations demonstrates that early learning is a significant part of the educational system and that the knowledge and skills of young children are foundational to future learning. Such learning will lead to children's wellbeing and success throughout life. For further information on the Alignment of the Preschool Learning Foundations, please refer to the CDE Alignment of the Preschool Learning Foundations Web page at <http://www.cde.ca.gov/sp/cd/re/documents/psalignment.pdf>.

Funding preference shall be provided to underserved areas as identified by the Local Child Care and Development Planning Council (LPC). The LPC priorities are located on the Child Development Resources Web page at <http://www.cde.ca.gov/sp/cd/re/documents/lpcpriorities2016.xls>. The CDE will allocate

funding by county, based on a statewide comparison of need and resources. Need is data driven and will be determined by the number of zero to four-year-old children in families at or below 70 percent of the state median income by county. Resources are limited to the amount of CSPP funding, including Fiscal Year (FY) 2014–15 awarded restoration and expansion funding and FY 2015–16 awarded expansion funding, supporting CDE preschool programs in each county. The allocation will be made to counties with the highest need to resource ratio. The minimum allocation amount will be \$250,211 (the calculated cost to fund one full-day/full-year classroom).

Contractors will be funded up to their county allocation in the following priority order:

1. LEA applicants providing full-day/full-year services, by LPC priority, highest passing score first
2. LEA applicants providing part-day/part-year services, by LPC priority, highest passing score first

In the event that a county does not fully utilize its allocation, the funding will be redistributed to applicants, regardless of county allocation, in priority order as listed above. Therefore, the CDE encourages all prospective applicants to apply.

Statutory and Regulatory Background

The *Education Code (EC)* Section 8208 defines “local educational agency” as a school district, a county office of education, a community college district, or a school district on behalf of one or more schools within the school district. Direct funded charter schools will be considered LEAs.

Contractors under contract with the CDE to administer the CSPP, are required to comply with required program and fiscal laws, regulations, rules, policies, and reporting procedures.

Applicants must comply with the Child Care and Development Services Act, commencing with *EC* Section 8200; regulations in 5 *California Code of Regulations (CCR)*, commencing with Section 18000; Child Care and Development Fund (CCDF) regulations at 45 *Code of Federal Regulations (45 CFR)*, Part 98 (*Federal Register*, Vol. 63, No. 142, July 24, 1998); and federal regulations implementing the Improper Payments Elimination and Recovery Act of 2012, 45 *CFR* Part 98, Subpart K, Error Rate Reporting (*Federal Register*, Vol. 72, No. 171, September 5, 2007). The EESD strongly recommends applicants review and understand the statutory and regulatory references cited above prior to completing and submitting their application.

Each applicant will be required, as a condition of the contract with the CDE, to adhere to the Funding Terms and Conditions (FT&C). The CSPP FT&C are available on the Child Development Web page at <http://www.cde.ca.gov/fg/aa/cd/ftc2016.asp>. Applicants must also adhere to the Standards and Procedures for Audits of California K-12 Local Educational Agency issued by the Education Audit Appeals Panel (EAAP) as

Regulations. These regulations are available on the Audit Guidelines-Requirements Web page at <http://eaap.ca.gov/audit-guide>.

Further information about federal CCDF policies and initiatives can be found at <http://www.acf.hhs.gov/programs/ccb/index.html>.

Subcontracting

Applicants are permitted to subcontract as permitted by the *EC*, 5 *CCR*, and FT&C set forth in the contract. As set forth in 5 *CCR* at Chapter 19, Section 2, Article 2, all subcontracts not otherwise exempt must be approved by the CDE in accordance with the regulations. If approved, the applicant contractor remains responsible for ensuring that the subcontractor complies with all administrative, programmatic, and fiscal requirements.

Family Child Care Home Education Networks

Applicants may apply for CSPP funding to operate via a Family Child Care Home Education Network (FCCHEN). However, the applicant contractor is responsible for administrative, programmatic, and fiscal compliance with the CSPP FT&C and program requirements as well as complying with the laws and regulations pertaining to FCCHENs, including *EC* sections 8245–8247.

A CSPP contractor operating via a FCCHEN must adhere to requirements in the *EC*, including but not limited to, Section 8246 which requires FCCHENs to:

- a) Recruit, enroll, and certify eligible families
- b) Recruit, trains support, and reimburse licensed family home providers
- c) Collect family fees
- d) Assure that a developmental profile is completed for each child
- e) Ensure that basic health and nutrition requirements are met
- f) Provide data and reporting in accordance with contract requirements

Qualitative and Quantitative Measurements

The CDE recognizes the following as characteristics of high-quality early education and support environments:

The *EC* Section 8203 indicators of quality include:

- A physical environment that is safe and appropriate to the ages of the children and that meets applicable licensing standards and 5 *CCR* program requirements
- Settings that are safe, offer adult-to-child ratios that encourage the best opportunities for development, and have low staff turnover

- Program activities and services that are age appropriate and meet the developmental needs of each child
- Program activities, learning materials, teaching methodologies, and services that meet the cultural and linguistic needs of children and families
- Learning opportunities that promote children's success in school
- Family and community involvement
- Parent education
- Efficient and effective local program administration
- Staff that possess the appropriate and required qualifications or experience, or both. The use of intergenerational staff shall be encouraged. The appropriate staff qualifications shall reflect the diverse linguistic and cultural makeup of the children and families in the child care and development program, including but not limited to:
 - Teachers or staff who have experience and are trained in early childhood development
 - Teachers shall possess appropriate child development permits issued by the Commission on Teacher Credentialing (CTC). The CTC permit matrix can be obtained on the CTC Web site at <http://www.ctc.ca.gov/credentials/creds/child-dev-permits.html>
- Provision for nutritional needs of children
- Social services that include, but are not limited to, identification of child and family needs and referral to appropriate contractor
- Health services that include referral of children to appropriate contractors for services

The CDE monitors each EESD contractor's administrative performance of the CSPP qualitatively and quantitatively (including both fiscal and programmatic performance) pursuant to *EC* Section 8261 and 5 *CCR* Section 18279 using:

- Contractor Self-Reviews
 - Each CDE contractor will be required to complete an annual Program Self-Evaluation (PSE) as part of the Desired Results System pursuant to 5 *CCR* sections 18272 and 18279.
- External Reviews

- Contractors must submit an annual financial and compliance audit to the CDE School Fiscal Services Division pursuant to *EC* Section 41020.
- The CDE may conduct contract performance audits pursuant to *EC* Section 8448(h)(2).
- The CDE will conduct program reviews periodically using the appropriate Federal Program Monitoring (FPM)/Contract Monitoring Review (CMR) Instrument located on the Compliance Monitoring Program Instruments Web page at <http://www.cde.ca.gov/ta/cr/documents/eesos1617.pdf>.
- The CDE will apply indicators of quality listed in *EC* Section 8203 as a reference for all reviews and monitoring.
- Enrollment and Fiscal Reporting
 - Contractors must submit monthly reports containing detailed family and child information via the Internet. All data reporting information can be found on the Child Development Data Reporting Web page at <http://www.cde.ca.gov/sp/cd/ci/ccdata.asp>.
 - Contractors must submit required attendance and fiscal reports as outlined in the FT&C of CSPP contracts. Information regarding FT&C can be found on the Child Care and Development Web page at <http://www.cde.ca.gov/fg/aa/cd/ftc2016.asp>.

PROGRAM FUNDING

Eligibility

To apply for funding pursuant to the RFA, the applicant contractor must be either

- a) Licensed; or
- b) Eligible for licensing in accordance with 22 *CCR*, Community Care Licensing, Division 12

Services to children may not begin until the contractor submits to the CDE a copy of their site license, and receives a fully executed contract from the CDE. If the contractor's program delivery proposal includes a subcontract with another entity (i.e. family child care home education network provider) to administer and/or provide program services under a CSPP contract, the subcontractor or family child care home education network provider must meet licensing requirements or provide proof of their license-exempt status pursuant to Health and Safety Code Section 1596.792 at the time the application is submitted or before providing services.

Any entity proposing to provide CSPP services through a FCCHEN must adhere to all the administrative and programmatic requirements set forth in this RFA and *EC* sections 8245–8247.

These funds are intended to increase the availability of early education and support programs to eligible children. However, priority will be given to applicant contractors that will be serving the highest percentage of four-year-old children in a full-day/full-year program.

Current contractors are eligible to apply for new or additional funds, except when one or more of the following conditions apply during the RFA cycle:

1. The contractor is on conditional status because of fiscal or programmatic noncompliance as described in 5 *CCR* sections 18303 or 18304 (5 *CCR* Section 18001)
2. The CDE's EESD has conducted a compliance review pursuant to 5 *CCR* Section 18023 and the contractor has failed to clear items of fiscal and programmatic noncompliance identified in the review within 12 months of the issuance of the compliance review report (5 *CCR* Section 18001)
3. The CDE reduced the contractor's current year maximum reimbursement amount due to the contractor's inability to utilize its full contract amount, whether through low enrollment or low expenditures for the same contract type (5 *CCR* Section 18001)
4. The applicant contractor has an outstanding accounts receivable balance with the CDE (5 *CCR* Section 18001)
5. The applicant contractor has a delinquent audit with the CDE pursuant to 5 *CCR* Section 18073 (5 *CCR* Section 18001)
6. The contractor has in place or plans to have in place a person in a position of financial responsibility or control who has been convicted of a crime involving misuse or misappropriation of state or federal funds, or a state or federal crime involving moral turpitude (*EC* Section 8406.9)

An applicant that is not a current CDE contractor is eligible to apply for funding, except when one or more of the following conditions apply:

1. The contractor had a previous contract with the CDE that was terminated or not continued by the CDE for fiscal or programmatic noncompliance as described in 5 *CCR* sections 18303 or 18304 within three years immediately preceding the date the RFA was posted (5 *CCR* Section 18001)
2. The applicant contractor has an outstanding accounts receivable balance with the CDE (5 *CCR* Section 18001)

3. The applicant contractor has a delinquent audit with the CDE pursuant to 5 *CCR* Section 18073 (5 *CCR* Section 18001)
4. The contractor has in place or plans to have in place a person in a position of financial responsibility or control who has been convicted of a crime involving misuse or misappropriation of state or federal funds, or a state or federal crime involving moral turpitude (*EC* Section 8406.9)

General Contract Information

A contract issued by the CDE is a legally binding agreement between the CDE and a public contractor. The contractor agrees to provide CSPP services according to defined programmatic and fiscal requirements, and the CDE agrees to reimburse the contractor for those services according to defined limits. The Maximum Reimbursable Amount (MRA), as described in this RFA, will be negotiated based on the proposed amount awarded. The initial contract will fund services from April 1, 2017–June 30, 2017. Program start dates may vary.

Annualized contracts are for one state fiscal year (July 1–June 30). A successful applicant must begin operations on or about the start date specified in this RFA. After the initial contract period, the contractor's eligibility for continued funding each subsequent year is contingent upon compliance with the following:

- Program Requirements and FT&C
- Evidence of satisfactory contract performance
- Compliance with all relevant state and applicable federal reporting requirements
- Approval by the CDE

How Contract Payments Will Be Made

Applicants are advised that funds cannot be disbursed until a formal contract between the CDE and the contractor has been executed. A contract is executed only after both parties have signed the contract. Contractors will receive a copy of the executed contract(s).

Contract payments will be made by the CDE according to the contract terms, state and federal law and only for reimbursable costs incurred during the contract period, subject to the terms and conditions set forth in a contract signed by an authorized representative of both the CDE and the contractor.

Costs incurred before the stated effective date in a fully executed contract are not reimbursable expenditures. State contract funds must be spent on reimbursable start-up cost and/or reimbursable costs for eligible children served during the contract period.

The CDE Child Development and Nutrition Fiscal Services (CDNFS) unit is responsible for generating contract payments. These payments are adjusted to correspond to the projected amount earned or expended by the contractor through the end of the contract period.

The first payment of funds should not be expected for at least six to eight weeks after the contract is signed, returned, and approved by the CDE Contracts Office. Payment on or after July 1, of any fiscal year, can only be made when the budget has been approved by the Legislature and signed by the Governor.

At the time of application, the CDE recommends contractors have three months of operating capital available to administer all contracted programs for the period prior to receiving state contract payments from the CDNFS. Examples of acceptable operating capital would include, but are not limited to, cash or a line of credit. Three months of operating capital is approximately one-fourth of the contractor's total annual MRA.

The CDE may recoup any payments made for costs which are not reasonable and necessary and is entitled to recover any costs of recoupment. Claims for reimbursement shall not be paid unless there are adequate documents to support the claims. The contractor has the burden of supporting claims for reimbursement.

Service Level Exemption “Start-up Allowance” (If Applicable)

In accordance with *EC* Section 8275 and 5 *CCR* Section 18034, a new or expanding program may not have sufficient enrollment during the first contract period while the program is starting up, but may have reimbursable expenses. The statute allows up to 15 percent of the annualized award amount to be paid without providing services. This start-up allowance will be reimbursed, if claimed as expenses, up to the 15 percent limit as specified in the contract. Start-up allowance is not additional funding, but is part of the total contract award. The amount may include, but not be limited to, the following costs:

- The employment and orientation of necessary staff
- The setting up of the program and facility
- The finalization of rental agreements and the making of necessary deposits
- The purchase of a reasonable inventory of materials and supplies
- The purchase of an initial premium for insurance

Start-up costs for this RFA may be available during FY 2016–17 and/or FY 2017–18. Contractors requesting a start-up allowance must submit a Request for Service Level Exemption (Start-Up Allowance) within Section IX, D. The budget narrative must provide a written description that justifies the need for each requested line-item. All line-items will be reviewed to ensure the request is reasonable and necessary.

- Start-up costs must be expended in the fiscal year they are approved
- Start-up costs awarded, require fiscal and audit reporting as specified in the FT&C

APPLICATION REQUIREMENTS

Application Preparation

The CDE requires that all applications for funding be completed in accordance with the following instructions:

Application Package Preparation

The application must demonstrate the applicant's working knowledge of state and federal child care and development requirements. Applicants must submit all required information and forms requested in the RFA. Applications that are incomplete or not in conformance with the application instructions may be rejected. Written notification will be provided to applicants whose application does not meet the submission requirements. It is solely the applicant's responsibility to carefully review the RFA information and requirements before submitting an application for funding. While the CDE has the right to waive minor discrepancies in application requirements that do not impact the integrity of the application, it is not required to do so.

Format

Applications must conform to the format requirements cited in Section XIII, Program Narrative Description regarding paper sizes, margins, and fonts.

Presentation of Application

Each application must include the CSPP Application Cover Sheet as the first page for the entire application. Do not attach additional covers or place applications in binders. Please ensure that each application is adequately secured with a staple in the upper left-hand corner.

Cost of Preparing the Application

The applicant accepts sole responsibility for all costs incurred in the development of its application. These costs are not reimbursable even if the contractor is awarded funds through this RFA.

SUBMISSION REQUIREMENTS

Applications must be received as set forth below. Failure to submit the application on a timely basis may result in the disqualification of the application.

Number of Copies Required

Five (5) completed application packages are required; one (1) application with original signatures and four (4) copies of the entire original application.

The original copy requires an original signature in blue ink by the contractor's authorized agent in all sections (e.g., Certification Signature).

Address to Submit the Application

The EESD will not accept electronic versions, files on computer discs, or facsimile applications. Applicants should mail or personally deliver hard-copy applications. The application packages must be received at the following address on or before 5 p.m., November 8, 2016:

California Department of Education
Early Education and Support Division
Attention: Funding and Agency Support Unit
1430 N Street, Suite 3410
Sacramento, CA 95814-5901

No changes, modifications, corrections, or additions may be made to the applications once received by the CDE. All applicants agree that by submitting an application, they authorize the CDE to verify any and all claimed information and any referenced names in the application.

All submitted applications will remain the property of the CDE and may be subject to disclosure in the event of a Public Records Act request.

APPLICATION REVIEW PROCESS

Preliminary Screening Process

Applications will be preliminarily screened to determine whether the applicant and/or listed subcontractors are eligible for contract funding, as described in the Eligibility section on page 7. Disqualified applicants will be informed of the reasons for the disqualification in writing.

Applications will also be preliminarily screened to determine if the application is complete and/or completed in accordance with the instructions and timelines. Incomplete applications and/or applications not completed in accordance with the instructions and timelines may be disqualified from eligibility. It is solely the applicant's responsibility to carefully review the RFA information and requirements before submitting an application for funding. While the CDE has the right to exercise reasonable discretion and waive minor discrepancies in application

and submission requirements that do not impact the integrity of the submission, it is not required to do so. Applicants will be informed of the reasons for the disqualification in writing.

Scoring Criteria

The EESD will evaluate each application that has successfully passed the preliminary screening process. The applicant must obtain a score of 70 percent which is 80 points of the total 114 points possible. A minimum score of 80 points is required to be eligible for funding. The applicant's score is based solely on the assessment of the written narrative. Applications will be scored in accordance with the Scoring Rubric included in this RFA.

Application Result Notification

The CDE will notify all eligible applicants in writing of their score.

Appeals

After receiving the written notification of their score, applicants may review their application, the criteria used to score the application, and any reader comments on their application. Applicants may only appeal their score. Applicants wishing to appeal their score must submit a written notice of appeal to the CDE within **ten (10) business days** of receiving their score notification. The notice of appeal must contain the following information:

1. The appellant's name, mailing address, and telephone number
2. The name(s) of the person(s) who will represent the appellant at the appeal hearing
3. Whether the representative(s) will attend the appeal hearing in person or communicate through a telephone conference call
4. Written materials that explain reason why the specific narrative component should have received a higher score.

Send notice of appeal to:

California Department of Education
Early Education and Support Division
Attention: RFA Appeals
1430 N Street, Suite 3410
Sacramento, CA 95814-5901

The CDE shall notify the appellant in writing of the results of the appeal within ten (10) business days of the appeal hearing. The appeal will be limited to the application submitted in response to the RFA. CDE's decision is the final administrative action afforded the appeal.

Notification of Awards

The CDE will mail proposed funding award letters to the successful applicants. Upon notification of intent to award, the CDNFS will contact all successful applicants to conduct additional due diligence, if necessary, including but not limited to clarifying any questions regarding the Fiscal Worksheets submitted with the application. The CDE reserves the right to ask follow-up questions of successful applicants through e-mail, telephone, or on-site visit to ensure that the contractor meets all eligibility and legal requirements prior to final contract awards or to request any necessary documentation. Proposed awards may be revoked at any time at the discretion of the CDE and no award is final until CDE receives a completed and signed contract package from the contractor and the contract is fully-executed by the CDE. There is no appeal process should a proposed award be revoked. Applicants should not incur any costs or expenses in reliance on a proposed award.

At the time of contracting, all contractors will be expected to sign additional compliance certifications (e.g., Air or Water Pollution violations; Recycled Paper certifications; and Child Care Support compliance).

APPLICATION TIMELINE

Item	Date*
Request for Applications Released	October 11, 2016
Webinar	October 20, 2016
Applications Due to the EESD	November 8, 2016
Score Notification to Applicants	December 14, 2016
Appeals Due to EESD	January 4, 2017
Awards Announced	January 25, 2017
Award of Contracts	April 3, 2017

***Dates subject to change**