Fiscal Year 2017–18
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 approximately $103 million to expand California State Preschool Program (CSPP) services statewide. This money includes money appropriated in the 2017–2018 Budget Act, as well as money that was previously allocated in prior years for EESD services but was not awarded and thus is available to be used to expand CSPP services.

There is approximately $95 million available for local educational agency (LEA) applicants to provide full-day/full-year or part-day/part-year services and also to non-LEA applicants to provide part-day/part-year services on or after April 1, 2018. Funding priorities are as follows:

1. LEA applicants providing full-day/full-year services
2. LEA and non-Lea applicants providing part-day/part-year services

An additional $8 million is available to Non-LEAs providing full-day/full-year CSPP services on or after July 1, 2018.

Funding for all programs will be awarded in the following order:

1. County allocation
2. Local Planning Council (LPC) priority
3. Highest passing score first

The CSPP funds will be used to provide services for eligible three- and four-year-old California children. The CSPP definitions of eligibility based on age 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 in which they are served.
- Four-year-old children are defined as children who will have their fourth birthday on or before September 1 of the fiscal year in which they are served.

The intent of this Request for Applications (RFA) is to expand Full-Day/Full-Year CSPP services statewide to the greatest extent possible. The RFA funding opportunity is available to existing CSPP contractors, to contractors that do not have a 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 served and based on the priorities set forth in law.
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.

The CDE will allocate funding by county, based on a statewide comparison of need and resources. Need is established by data 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. The allocation will be made to counties with the highest need-to-resource ratio. The minimum allocation amount will be $118,946 (the calculated cost to fund one classroom, for 24 Part-Day Children at 175 days).

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

**Statutory and Regulatory Background**

_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 acting on behalf of one or more schools within the school district. Direct funded charter schools will be considered an LEA.

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_ (5 _CCR_), commencing with Section 18000; Child Care and Development Fund (CCDF) regulations at 45 _Code of Federal Regulations_ (45 _CFR_), Part 98 (_Federal Register_, Volume 63, Number 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_, Volume 72, Number 171, September 5, 2007). The EESD strongly recommends applicants review and understand the statutory and regulatory references cited above prior to completing and submitting an 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 current CSPP FT&C for 2017–2018 are available on the Child Development Web page at [https://www.cde.ca.gov/fg/aa/cd/documents/ftc1718.doc](https://www.cde.ca.gov/fg/aa/cd/documents/ftc1718.doc). Applicants must also adhere to the Standards and Procedures for Audits of California K–12 Local Education 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](http://eaap.ca.gov/audit-guide).

Further information about federal CCDF policies and initiatives can be found at [https://www.acf.hhs.gov/occ](https://www.acf.hhs.gov/occ).
Subcontracting

Applicants are permitted to subcontract in accordance with 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 compliance 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, train, support, and reimburse licensed family home providers.

c) Collect family fees in accordance with contract requirements.

d) Assess, according to standards set by the department, the educational quality of the program offered in each family child care home in the network.

e) Assure that a developmental profile is completed for each child based upon observations of network staff, in consultation with the provider.

f) Monitor requirements, including quality standards, and conduct periodic assessments of program quality in each family child care home affiliated with the network.

g) Ensure that basic health and nutrition requirements are met.

h) Provide data and reporting in accordance with contract requirements.

Qualitative and Quantitative Measurements

The CDE recognizes the characteristics of high-quality early education and support environments.

According to EC Section 8203, indicators of quality include the following:

- 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 members who possess the appropriate and required qualifications or experience, or both. The use of intergenerational staff members shall be encouraged. Appropriate staff shall reflect the diverse linguistic and cultural makeup of the children and families in the child care and development program. Qualifications include but are not limited to:
  o Teachers or staff members who have experience and are trained in early childhood development
  o Teachers who possess appropriate child development permits issued by the Commission on Teacher Credentialing (CTC). The CTC permit matrix can be obtained on the California Commission on Teacher Credentialing Web site.

• 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 by using:

• Contractor Self-Reviews
  o Each CDE contractor will be required to complete an annual Program Self-Evaluation as part of the Desired Results system pursuant to 5 CCR sections 18270.5 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 [https://www.cde.ca.gov/ta/cr/proginstr201718.asp](https://www.cde.ca.gov/ta/cr/proginstr201718.asp).

- The CDE will review whether a program has the 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](http://www.cde.ca.gov/sp/cd/ci/ccdata.asp).


**PROGRAM FUNDING**

**Eligibility**

To apply for funding pursuant to the RFA, all agencies, except public entities (e.g., LEAs, recognized tribal entity, other local governments, etc.) must be:

- Registered with the Secretary of State to do business in California, or
- Possess a valid California Business License.

In addition, the applicant agency must be:

- Licensed; or
- 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 its site license, and receives a fully executed contract from the CDE. If the contractor’s program delivery proposal includes a subcontract with another entity (e.g., 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 its 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.

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 (MRA) 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 contractor has in place, or places, a person in a position of fiscal 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 who 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* section 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 places, a person in a position of fiscal 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 MRA, as described in this RFA, will be negotiated based on the proposed amount awarded.

Annualized contracts are effective 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

Pursuant to CDE Title 5 Regulations, contractors have no vested right to a subsequent contract.

**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 and is contingent upon availability of funds. 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 and state and federal laws. Payments will be made 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 Period of Performance 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 be made only 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 that 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 2017–18 and/or FY 2018–19. Contractors requesting a start-up allowance must submit a Request for Service Level Exemption (Start-Up Allowance) in 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

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 compliance with the application instructions may be rejected. Written notification will be provided to applicants whose applications do 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. Although 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 X, Program Narrative Description, regarding paper size, 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. Each application must be adequately stapled 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, Payee Data Record Form [STD.204]).

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., December 19, 2017:
No changes, modifications, corrections, or additions may be made to the applications once they are 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 Program Funding (Eligibility) above. EESD may request additional documentation to determine the applicant agency structure for funding. Disqualified applicants will be informed in writing of the reasons for the disqualification.

Applications will also be screened to determine if the application is 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. It is solely the applicant’s responsibility to carefully review the RFA information and requirements before submitting an application for funding. Although 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 in writing of the reasons for the disqualification.

Scoring Criteria

The EESD will evaluate each application that has successfully passed the preliminary screening process. The applicant must obtain a score of 80 points, which is 70 percent 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 appeal only their score. If they wish to appeal their score, they 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 why the specific narrative component should have received a higher score.

Send the 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. The 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. If necessary, the CDNFS Unit will contact successful applicants to ask clarifying questions regarding the fiscal information submitted with the application. The CDE reserves the right to ask follow-up questions of successful applicants through e-mail, telephone, or on-site visits to ensure that the contractor meets all eligibility and legal requirements prior to awarding final contracts or to request any necessary documentation. Proposed awards may be revoked at any time at the discretion of the CDE. 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 upon a proposed award.
At the time of contracting, all contractors may be expected to sign additional compliance certifications (e.g., Air or Water Pollution violations; Recycled Paper certifications; and Child Care Support compliance).

**APPLICATION TIMELINE**

<table>
<thead>
<tr>
<th>Item</th>
<th>Date*</th>
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<tbody>
<tr>
<td>Request for Applications Released</td>
<td>November 9, 2017</td>
</tr>
<tr>
<td>Applications Due to the EESD</td>
<td>December 19, 2017</td>
</tr>
<tr>
<td>Notification of Scores to Applicants</td>
<td>February 2, 2018</td>
</tr>
<tr>
<td>Appeals Due to the EESD</td>
<td>February 21, 2018</td>
</tr>
<tr>
<td>Awards Announced</td>
<td>March 8, 2018</td>
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<tr>
<td>Award of Contracts</td>
<td>April 1, 2018</td>
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<tr>
<td>Award of Contracts for non-LEA full-day/full-year</td>
<td>July 1, 2018</td>
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*Dates are subject to change.*