

California Department of Education

PROGRAM REQUIREMENTS

FOR

CalWORKs STAGE 3

C3AP

FISCAL YEAR 2016–2017

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I. OPERATIONAL REQUIREMENTS

A. The purpose of Child Care and Development services is as follows:

1. To provide a comprehensive, coordinated, and cost-effective system of child care and development services for children from infancy to 13 years of age and their parents, including a full range of supervision, health and support service through full- and part-time programs. (*EC 8200 and 8201*).
2. To encourage community-level coordination in support of child care and development services.
3. To provide an environment that is healthy and nurturing for all children in child care and development programs.
4. To provide the opportunity for positive parenting to take and development.
5. To reduce strain between parent and child in order to prevent abuse, neglect, or exploitation.
6. To enhance the cognitive development of children, with particular emphasis upon those children who require special assistance, including bilingual capabilities to attain their full potential.
7. To establish a framework for the expansion of child care and development services.
8. To empower and encourage parents and families of children who require child care services to take responsibility to review the safety of the child care program or facility and to evaluate the ability of the program or facility to meet the needs of the child.

B. The CalWORKs Stage 3 Child Care Services (C3AP) shall operate as follows:

1. CalWORKs Stage 3 Child Care Program requirements shall only apply to contractors funded and authorized to establish, maintain, or operate alternative payment programs for CalWORKs Stage 3 Child Care Programs (5 CCR 18420(a)).
2. CalWORKs Programs serve recipients of aid and former recipients who have left aid for employment, (*EC 8350(a)*) are connected as soon as possible to local child care resources, make stable child care arrangements, and continue to receive subsidized child care services after they no longer receive aid as long as they require those services and meet the eligibility requirements. (*EC 8263 and 8263.1*)

3. CalWORKs program establishes three stages of child care services which a recipient of aid, will pass. As families' child care needs are met by county welfare departments and later by other local child care and development contractors, it is the intent of the Legislature that families experience no break in their child care services due to a transition between the stages. (*EC 8350(b)*).
4. Current CalWORKs recipients are eligible for all child care services as long as they continue to receive aid. Family size and income, for purposes of calculating family fees shall be determined as described in the eligibility, enrollment and priority of services. (*EC 8263(a)*).
5. As soon as appropriate, a county welfare department shall refer families needing child care services to the local child care resource and referral program. (*EC 8352 (a)*). Resource and Referral program staff shall collocate with a county welfare department's case management offices for aid, or any successor program, or arrange other means of swift communication with parents and case managers of this aid. The local child care resource and referral program shall assist families to establish stable child care arrangements as soon as possible. These arrangements may include licensed and license-exempt care. (*EC 8352(a)*)
6. The third stage of child care begins when a funded space is available. CalWORKs recipients are eligible for the third stage of child care. Persons who received a lump-sum diversion payment or diversion services and former CalWORKs participants are eligible if they have an income that does not exceed 70 percent (70%) of the state median income. (*EC 8263.1*). The third stage shall be administered by programs contracting with the State Department of Education. Parents' eligibility for child care and development services will be governed by *EC 8263* and regulations adopted by the State Department of Education.
7. Contractors administering Stage 3 programs in counties where there are multiple contractors shall coordinate services and cooperate to ensure all eligible families receive and continue to receive services. Also, contractors may coordinate across county boundaries so that eligible families living in the county, employed in the county, or receiving child care in the county receive and continue to receive services (*5 CCR 18405 (d)*).

II. ELIGIBILITY CERTIFICATION AND FAMILY DATA FILE DOCUMENTATION

- A. General Requirements (*EC* 8201(a), 8263(a), and 8263.4; 5 *CCR* 18107, 18421, 18422 and 18423)
1. To receive child care and development program services, families shall meet eligibility and need criteria. In addition to meeting eligibility and need requirements, to be eligible for services the child must live in the State of California. Evidence of a street address or post office address in California will be sufficient to establish residency. A person identified as “Homeless,” is exempted from this requirement and shall submit a declaration of intent to reside in California.
 2. The governing board of a school district, community college district, or a county superintendent of schools may accommodate children residing outside the district boundaries in accordance with *EC* 8322(a). The determination of eligibility shall be without regard to the immigration status of the child or the child’s parent(s) unless the child or the child’s parent(s) is under a final order of deportation from the United States Department of Homeland Security. (5 *CCR* 18107 (d))
 3. Children who have reached their thirteenth (13th) birthday are ineligible for subsidized services except for those children with exceptional needs and severely disabled child may be served to age twenty-one (21). Children with exceptional needs shall also meet the criteria for that age group specified in *EC* 56026 and 5 *CCR*, 3030 and 3031.
 4. The preferred placement for children who are eleven (11) or twelve (12) years of age and who are otherwise eligible for subsidized child care and development services shall be in a before or after school program. Children who are eleven (11) or twelve (12) shall continue to receive subsidized child care services when a before or after school program is not available. (*EC* 8263)
- B. Eligibility, Enrollment and Service Priority (*EC* 8263(a) (1), 8350.5 and 8354; 5 *CCR* 18421, 18422 and 18423.)
1. CalWORKs Stage 3 Child Care Services may begin when a funded space is available and recipients are eligible for the third stage of child care (*EC* 8354).
 2. Persons who received a lump-sum diversion payment or diversion services and former CalWORKs participants are eligible if they have an income that does not exceed 70 percent (70%) of the state median income pursuant to *EC* 8263.1 (*EC* 8354)

3. Family Eligibility - A family is eligible to receive CalWORKs Stage 3 child care services if all of the following conditions are met.
 - a. 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 seventy-five percent (75%) 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 18421)(a)(1))
 - b. When income fluctuations occur, the adjusted monthly income shall be computed by averaging the total adjusted monthly income received during the previous twelve (12) months.
 - c. For families that transfer from either Stage 1 or another Stage 2 contractor, the twelve (12) month period shall be the twelve (12) months immediately preceding the transfer.
 - d. For all other families, the twelve (12) month period shall be the twelve (12) months immediately preceding the month of recertification.
 - e. Total countable income does not include the following:
 - i. Earnings of a child under the age of eighteen (18) years;
 - ii. Loans, grants, and scholarships obtained under conditions that preclude their use for current living costs;
 - iii. Grants or loans to students for educational purposes made or insured by a state or federal agency;
 - iv. Allowances received for uniforms or other work required clothing, food, or shelter;
 - v. Income that is used for business expenses for self-employed family members; or
 - vi. The income of a recipient of federal supplemental security income and state supplemental program (SSI/SSP) benefits;

- f. The adult or minor teen parent is responsible for the care of the child needing child care and the adult or minor teen parent is:
 - i. A former CalWORKs cash aid recipient and is in the twenty-fourth (24th) month of eligibility for CalWORKs Stage 1 and/or Stage 2 after leaving CalWORKs cash aid; or
 - ii. A diversion services recipient in the twenty-fourth (24th) month of eligibility for CalWORKs Stage 1 and/or Stage 2 child care.
 - iii. Any other adult whose income is counted towards Stage 3 eligibility must meet one of the requirements in (e)(1) above or be incapacitated.
4. Child Eligibility (5 CCR 18422)
- a. A child living in the household of the eligible family may receive CalWORKs Stage 3 child care services if he/she is:
 - i. A son or daughter of the eligible family;
 - ii. Receiving foster care benefits, federal Supplemental Security Income (SSI), or State Supplemental Program (SSP) benefits; or
 - iii. The responsibility of the adult to support and for whom the lack of child care would result in the adult not being able to work or participate in a work activity.
 - b. The child must be:
 - i. Under thirteen (13) years of age; or
 - ii. A child with exceptional needs as defined in *EC 8208(I)*.
 - iii. When a child's residence alternates between the homes of separated or divorced parents, eligibility, need, and fees should be determined separately for each household in which the child is residing during the time child care services are needed. (5 CCR 18422)
5. Eligibility Duration (5 CCR 18423)
- a. Unlike Stages 1 and 2, after initial enrollment into a Stage 3 program, child care services will be continued as long as the child meets the requirement and:

- i. The family continues to meet eligibility requirements; or (5 *CCR* 18421).
 - ii. The contractor has received a referral (5 *CCR* 18092) for child protective services (5 *CCR* 8423 (b)); or
 - iii. 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* 18423).
- 6. Need Criteria (*EC* 8261, 8263(a) (2); 5 *CCR* 18085.5(b) and 18421(b))

Need shall be established by a. or b. below:

- a. The family needs the child care and development services because: the child is:
 - i. A recipient of child protective services; or
 - ii. Being neglected, abused, or exploited; or
 - iii. At risk of neglect, abuse or exploitation; or
- b. The parent(s) are any of the following:
 - i. Employed;
 - ii. Seeking employment;
 - iii. Engaged in vocational training leading directly to a recognized trade, paraprofession or profession;
 - iv. Incapacitated.

Families who are eligible for subsidized child and development services based on income, public assistance, or homelessness must document that each parent as defined in 5 *CCR* 180181(l) in the family meets a need criterion (*EC* 8263(a) (2) (B); 5 *CCR* 18078(f)).

For full documentation requirements see section on Family Data File.

- c. Services shall only be available to the extent to which:

- i. The parent meets a need criterion that precludes the provision of care and supervision of the family's child for some of the day;
- ii. There is no parent in the family capable of providing care for the family's child during the time care is requested; and
- iii. Supervision of the family's child is not otherwise being provided by school or another person or entity.

For full documentation requirements see section on Family Data File.

If, after the family is enrolled, there is a need for care, not because of need criteria, but because the family has a child who is at risk of abuse, neglect or exploitation, or receiving child protective services, the family will be subject to the time limits as specified in *EC 8263*.

C. Certification of Eligibility and Need, Priority of Service (*EC 8261, 8263 and 8269; 5 CCR 18082 and 18425*)

- 1. The certification of eligibility is a formal process the contractor goes through to collect information and documentation to determine that the family and/or child meets the eligibility criteria for enrollment in or to receive subsidized child care and development services. Required documents are listed in the Family Data File Documentation section. All information and documentation collected is maintained in the Family Data File. (*EC 8263(a) (1) and 8263(a) (2) and 5 CCR 18078.*)
- 2. The contractor shall designate the staff person authorized to certify family/child eligibility and, prior to initial enrollment and at the time of recertification, an authorized representative of the contractor shall: (*5 CCR 18082*)
 - a. Certify each family's/child's eligibility and need for child care and development services after reviewing the completed application and documentation contained in the basic family data file.
 - b. Collect social security numbers of heads of households, and other information as required and documentation contained in the family data file (*EC 8261.5*)
 - c. Issue a Notice of Action, Application for Services (*5 CCR 18094*) and/or a Notice of Action, Recipient of Services as described below (*5 CCR 18095*).

3. At the time of certification and recertification, families shall be informed of their responsibility to notify the contractor, within five (5) calendar days, of any changes in family income, family size, or need for child care and development services (5 CCR 18410(a))
- D. Enrollment into CalWORKs Stage 3 Child Care Services (EC 8263, 8350.5 and 8354, and 5 CCR 18424)
1. When a family is transferring into Stage 3 from a county welfare department's Stage 1 program or another contractor's Stage 2 or Stage 3 program the following information is obtained by the receiving contractor:
 - a. The parent's(s') full name(s), address(es) and telephone number(s);
 - b. The names and birth dates of all children under the age of eighteen (18) living with the family, whether or not they are served by the CalWORKs program;
 - c. The number of hours of care needed each day for each child;
 - d. The names of other family members in the household related by blood, marriage or adoption;
 - e. The reason for needing child care and development services;
 - f. Employment or training information for parent(s) including name and address of employer(s) or training institution(s) and days and hours of employment or training;
 - g. Family size and adjusted monthly income;
 - h. Rate of payment; and
 - i. The name, address and telephone number of the child care provider and the type of eligible provider pursuant to 5 CCR 18227.
 2. An Application for the transfer process is not required when a family is transferring from another CalWORKs Stage 2 or Stage 3 contract within the same agency.
 3. After the receiving contractor obtains the information above and determines that the information is complete, the receiving contractor shall:
 - a. Assume responsibility for reimbursing the provider for the child care services provided effective the first of the month after the family has timed out of Stage 1 or Stage 2; and

- b. Send or otherwise provide a notice to the family documenting the information and requiring that the family certify by signature that the information is accurate. Such certification shall comply with the timelines established by the contractor's policies and procedures. The family shall be notified of the timeframe by which the certification must be returned, and that child care will be terminated in accordance with Notice of Action requirements (5 CCR 18434), if the certification is not received within that timeframe
- c. If the family indicates that the information obtained by the receiving contractor is inaccurate or there has been a change, the new Stage 3 contractor shall update the information the family's application (5 CCR 18425(b)).
 - i. The contractor shall enroll eligible families into Stage 3 as they time out without regard to prioritization until the notification from the CDE is received (5 CCR 18424 (d)).
 - ii. If at any time during the fiscal year the contractor believes that accepting eligible families into Stage 3 as they time out would result in over enrollment, the contractor shall notify the CDE (5 CCR 18424(e)).
- d. Aside from a continuity of service and expenditure plan (5 CCR 18225), when a contractor is informed by the CDE that all Stage 3 funds have been allocated for a given fiscal year and contracts will no longer be augmented during that fiscal year, the contractor shall:
 - i. Review the Stage 1 and 2 caseload designated to transfer into the contractor's Stage 3 contract each month for the remainder of the current fiscal year. The contractor shall determine if the current fiscal year Stage 3 funds available are sufficient to continue child care for all families that will time out of Stage 1 and 2 services each month of the current fiscal year.
 - ii. Continue to enroll families without regard to prioritization until the specific month that funding is insufficient to enroll all families that have timed out of Stage 1 and 2 the previous month.
 - iii. Upon determination that funding is insufficient to provide services to all families that will time out in a specific month, enroll families until all Stage 3 funds are fully utilized, with priority given to families with the lowest adjusted monthly

income in relation to family size in accordance with the family fee schedule.

- iv. Not establish a waiting list for CalWORKs Stage 3 of otherwise eligible families when there are insufficient funds pursuant to this section.
 - e. Subsequently, if additional Stage 3 funding becomes available due to attrition, the families that have timed out in the month that funding becomes available shall be enrolled with priority given to families with the lowest adjusted monthly income in relation to family size in accordance with the family fee schedule.
 - f. The contractor shall mail or personally deliver a completed notice of action to the parent(s) pursuant to (5 CCR 18434) when services are to be terminated due to insufficient funds.
 - g. When a child's residence alternates between the homes of separated or divorced parents, eligibility, need and fees should be determined separately for each household in which the child is residing during the time child development services are needed (i.e., separate certifications and service agreements). For example, a child may be certified during part of the week and full cost the rest of the week.
- E. Contents of Family Data File (*EC 8261, 8261.5, 8263 and 8269; 5 CCR 18081(a) (b) (1)-(5), (d) and (e), and 18427*)
- 1. Contractors shall establish and maintain a family data file and documentation for each family that transfer from a Stage 1, Stage 2, or another Stage 3 agency within six months of the date of the transfer.
 - 2. The family data file shall contain a completed and signed application for services and using the following records as applicable to determine eligibility and need:
 - a. Documentation of income eligibility, including an income calculation worksheet;
 - b. Documentation of employment;
 - c. Documentation of seeking employment;
 - d. Documentation of training;
 - e. Documentation of parental incapacity;

- f. Documentation of referral for child protective services;
 - g. Documentation of referral for a child at risk of abuse, neglect or exploitation;
 - h. For parents receiving cash assistance, documentation regarding the approved welfare to work plan or activity, or be employed that may include documentation of days and hours of need; and
 - i. If the parent of the child was on cash assistance, the date the parental cash aid was terminated.
3. A signed Child Care Data Collection Privacy Notice and Consent Form D 9600A (Rev. 01/04) shall be included.
 4. Notice of Action, Application for Services and/or Recipient of Services shall be included.
 5. The family data file shall contain all child health and current emergency information required by California *Code of Regulations, Title 22, Social Security, Division 12, Community Care Facilities Licensing* regulations with the following exception. Immunization records are not required to be in the family data file for children attending a public or private elementary school or for children receiving care in licensed facilities and reimbursed pursuant to *EC 8220 and 8350*.

For full documentation requirements see the section on Family Data File and Documentation.

F. Family Data File and Documentation

1. Application for Services (*EC 8261 and 8263; 5 CCR 18083 and 18100*)

The application for services shall contain the following information:

- a. The parent's (s') full name(s), address(es) and telephone number(s);
- b. The names, gender, and birth dates of all children under the age of eighteen (18) in the family, whether or not they are served in the CalWORKs program;
- c. The number of hours of care needed each day for each child;

- d. The reason for needing child care and development services as specified in *EC 8263 (a) (2)*:
 - i. Child Protective Services;
 - ii. Employment;
 - iii. Training;
 - iv. Seeking Employment;
 - v. Incapacitation of the parent;
 - vi. Seeking Permanent Housing for Family Stability;
 - vii. Employment or training information for parent(s) including name and address of employer(s) or training institution(s) and days and hours of employment or training, if applicable;
- e. Eligibility status is:
 - i. Child Protective Services;
 - ii. Current Aid Recipient;
 - iii. Income Eligible; or
 - iv. Homeless;
 - v. Family size and income, if applicable.
- f. The date the parent became ineligible for Stage 1 and/or Stage 2 child care because the family has fully exhausted the twenty-four (24) months of eligibility for subsidized child care in Stage 1 and/or Stage 2 after the parent became ineligible for aid;
- g. The parent's signature and date of the signature;
- h. The signature of the contractor's authorized representative on an application for services (CD9600) attests that the criteria have been met (5 *CCR 18078(b)*).

Note: The transfer process is not required when a family is transferred from another CalWORKs Stage 2 or Stage 3 contract with the same contractor.

2. Documentation and Determination of Family Size (*EC 8261 and 8263; 5 CCR 18100*)
 - a. The information provided on the application for services shall be used to determine family size. A parent shall provide the names of the parents and the names, gender and birthdates of the children identified in the family. This information shall be documented on a confidential application for child care and development services and used to determine family size. The parent shall provide supporting documentation regarding the number of children and parents in the family.
 - b. The number of children shall be documented by providing at least one of the following documents, as applicable:
 - i. Birth certificates;
 - ii. Court orders regarding child custody;
 - iii. Adoption documents;
 - iv. Records of Foster Care placements;
 - v. School or medical records;
 - vi. County welfare department records; or
 - vii. Other reliable documentation indicating the relationship of the child to the parent.
 - c. When only one parent has signed the application and the information provided indicates the child(ren) in the family has another parent whose name does not appear on the application, then the presence or absence of that parent shall be documented by providing any one (1) of the following documents, as applicable:
 - i. Records of marriage, divorce, domestic partnership or legal separation;
 - ii. Court-ordered child custody arrangements;
 - iii. Evidence that the parent signing the application is receiving child support payments from that person, has filed for child support with the appropriate local agency, or has executed documents with that agency declining to file for child support;

- iv. Rental receipts or agreements, contracts, utility bills or other documents for the residence of the family indicating that the parent is the responsible party; or
 - v. Any other documentation, excluding a self-declaration except to confirm the presence or absence of a parent of a child in the family.
- d. If, due to the recent departure of a parent from the family, the remaining applicant parent cannot provide any documentation described above the applicant parent may submit a self-declaration signed under penalty of perjury explaining the absence of that parent from the family. Within six (6) months of applying or reporting this change in family size, the parent must provide the documentation.
 - e. If the information provided by the parent is insufficient, the contractor shall request any additional documentation necessary to verify the family composition and family size.
 - f. For income eligibility and family fee purposes, when a child and his or her siblings are living in a family that does not include their biological or adoptive parent, only the child and related siblings shall be counted to determine family size. In these cases, the adult(s) must meet a need criterion as specified in *EC 8263(a) (2)*.
 - g. Upon the transfer of a family from CalWORKs Stage 1 to CalWORKs Stage 2 or Stage 3, the CalWORKs Stage 2 or Stage 3 contractor shall accept the CalWORKs Stage 1 agency's determination of family size until the family is certified.
3. Documentation of Eligibility: Income Eligibility (*EC 8261 and 8263 and 8263.1; 5 CCR 18078 (a) and (s) and 18084*)

The parent is responsible for providing documentation of the family's total countable income and the contractor is required to verify the information, as described below:

- a. The parent(s) shall document total countable income for all the individuals counted in the family size as follows:
- b. If the parent is employed, provide:
 - i. A release authorizing the contractor to contact the employer(s), to the extent known, that includes the employer's name, address, telephone number, and usual business hours; and

- ii. All payroll check stubs, a letter from the employer, or other record of wages issued by the employer for the month preceding the initial certification, an update of the application, or the recertification that establishes eligibility for services.
- c. When the employer refuses or fails to provide requested documentation or when a request for documentation would adversely affect the parent's employment, provide other means of verification that may include a list of clients and amounts paid, the most recently signed and completed tax returns, quarterly estimated tax statements, or other records of income to support the reported income, along with a self-certification of income.
- d. If the parent is self-employed, provide a combination of documentation necessary to establish current income eligibility for at least the month preceding the initial certification, an update of the application, or the recertification that establishes eligibility for services. Documentation shall consist of as many of the following types of documentation as necessary to determine income:
 - i. A letter from the source of the income;
 - ii. A copy of the most recently signed and completed tax returns with a statement of current estimated income for tax purposes; or
 - iii. Other business records, such as ledgers, receipts, or business logs.
- e. Provide copies of the documentation of all non-wage income referenced in the definition of "total countable income," self-certification of any income for which no documentation is possible, and any verified child support payments referenced in the definition of "adjusted monthly income." (5 CCR 18078 (q))
- f. The contractor:
 - i. Shall retain copies of the documentation of total countable income and adjusted monthly income in the family data file.
 - ii. When the parent is employed, shall, as applicable, verify the parent's salary/wage; rate(s) of pay; potential for overtime, tips or additional compensation; hours and days of work; variability of hours and days of work; pay periods and frequency of pay, start date for the employee. If the employer refuses or is non-responsive in providing requested information or a request for employer documentation would adversely affect the parent's employment, and if the information provided is inconsistent with the contractor's

knowledge or community practice, shall request clarification in the self-certification of income, additional income information or a reasonable basis for concluding that the employer exists.

- iii. When the parent is self-employed shall obtain and make a record of independent verification regarding the cost for services provided by the parent that may be obtained by contacting clients, reviewing bank statements, or confirming the information in the parent's advertisements or Web site. If the income cannot be independently verified, the contractor shall assess whether the reported income is reasonable or consistent with the community practice for this employment.
- iv. May request additional documentation to verify total countable income to the extent that the information provided by the parent or the employer is insufficient to make a reasonable assessment of income eligibility.
- v. To establish eligibility, shall, by signing the application for services, certify to the contractor's reasonable belief that the income documentation obtained and, if applicable, the self-certification, support the reported income, are reliable and are consistent with all other family information and the contractor's knowledge, if applicable, of this type of employment or employer.
- vi. If the family is receiving child care and development services because the child(ren) is/are identified as being abused, neglected or exploited or at risk of abuse, neglect, or exploitation or receiving child protective services, and the written referral required by 5 CCR 18081(b)(9) and (b)(10) specifies that it is necessary to exempt the family from paying a fee, then the parent will not be required to provide documentation of total countable income.

4. Calculation of Income (*EC 8261, 8263 and 8263.1; 5 CCR 18078(a), (j), and (s) 18421 and 18096*)

The contractor shall calculate total countable income based on income information reflecting the family's current and on-going income:

- a. Using an income calculation worksheet that specifies the frequency and amount of the payroll check stubs provided by the parent and all other sources of income referenced in the definition of "total countable income."
- b. When income fluctuates because of:

- i. Agricultural work as referenced in the definition of “income fluctuation” by averaging income from the twelve (12) months preceding the initial certification, an update of the application, or the recertification that establishes eligibility for services.
- ii. Intermittent income as referenced in the definition of “income fluctuation” by averaging the intermittent income from the preceding twelve (12) months by dividing by twelve (12) and add this amount to the other countable income.
- iii. Unpredictable income as referenced in the definition of “income fluctuation” by averaging the income from at least three (3) consecutive months and no more than twelve (12) months preceding the initial certification, an update of the application, or the recertification that establishes eligibility for services.

c. Exceptions to Calculation for Military Personnel

<http://www.gpo.gov/fdsys/granule/USCODE-2011-title37/USCODE-2011-title37-chap7-sec403>)

For programs located on or in close proximity to a military base or base housing for purposes of determining eligibility and income ranking for families whose child is eligible for part-day/part-year services, when an individual counted in the family size is on federal active duty, state active duty, active duty for special work, or Active Guard and Reserve duty in the military, and the families reside on a military base or in military housing, the contractor with prior written approval from the SSPI or his designee may exclude the amount of the basic allowance for housing provided to the individual

5. Documentation of Need; Public Assistance (*EC* 8261 and 8263; 5 *CCR* 18085)

If the basis of eligibility as specified in *EC* 8263(a) (1) is a current aid recipient, the parent shall provide documentation of public cash assistance, unless the contractor has the elects to use other means of obtaining verification.

6. Documentation of Need: Employment (*EC* 8261 and 8263; 5 *CCR* 18086)

- a. If the basis of need as stated on the application for services is employment of the parent(s), the documentation of the parent’s employment shall include the days and hours of employment.
- b. If the parent has an employer, the documentation of need based on employment shall consist of one (1) of the following:
 - i. The pay stubs provided to determine income eligibility that indicates the days and hours of employment;

- ii. When the provided pay stubs do not indicate the days and hours of employment, the contractor shall verify the days and hours of employment by doing one (1) of the following:
 - a) Secure an independent written statement from the employer;
 - b) Telephone the employer and maintain a record;
- iii. If the provided pay stubs indicate the total number of hours of employment per pay period and if the contractor is satisfied that the pay stubs have been issued by the employer, specify on the application for services the days and hours of employment to correlate with the total hours of employment and the parent's need;
- iv. If the variability of the parent's employment is unpredictable and precludes the contractor from verifying specific days and hours of employment or work week cycles, specify on the application for services that the parent is authorized for a variable schedule for the actual hours worked, identifying the maximum number of hours of need based on the week with the greatest number of hours of need within the preceding four (4) weeks and the verification. Until such time as the employment pattern becomes predictable, need for services shall be updated at least every four (4) months and shall be based on the requirements listed above and the child care services utilized;
- v. If the employer refuses or is non-responsive in providing the requested information, record the contractor's attempts to contact the employer, and specify and attest on the application for services to the reasonableness of the days and hours of employment based on the description of the employment and community practice; or
- vi. If the parent asserts in a declaration signed under penalty of perjury that a request for employer documentation would adversely affect the parent's employment, on the application for services:
 - a) Attest to the reasonableness of the parent's assertion; and
 - b) Specify and attest to the reasonableness of the days and hours of employment based on the description of the employment and community practice.
- vii. When the employed parent does not have pay stubs or other record of wages from the employer and has provided a self-certification of income, as defined in 5 CCR 18078 (o) the contractor shall assess the reasonableness of the days and hours of employment, based

on the description of the employment and the documentation provided in 5 CCR 18084(a) (3), and authorize only the time determined to be reasonable.

- c. If the parent is self-employed, the documentation of need based on employment shall consist of the following:
 - i. A declaration of need under penalty of perjury that includes a description of the employment and an estimate of the days and hours worked per week;
 - ii. To demonstrate the days and hours worked, a copy of one (1) or more of the following: appointment logs, client receipts, job logs, mileage logs, a list of clients with contact information, or similar records; and
 - iii. As applicable, a copy of a business license, a workspace lease, or a workspace rental agreement.
- d. A statement by the contractor assessing the reasonableness of the total number of days and hours requested per week based on the description of employment and the documentation provided pursuant to 5 CCR 18084. If the parent has unpredictable hours of employment, the contractor shall authorize the parent for a variable schedule not to exceed the number of hours determined to be needed per week. Need for services for unpredictable hours shall be updated at least every four (4) months and shall be based on requirements as stated above. If the contractor has been unable to verify need based on the documentation provided, the contractor shall take additional action to verify self-employment that includes any one (1) or more of the following:
 - i. If the self-employment occurs in rented space, contacting the parent's lessor or other person holding the right of possession to verify the parent's renting of the space;
 - ii. If the self-employment occurs in variable locations, independently verifying this information by contacting one (1) or more clients whose names and contact information have been voluntarily provided by the parent; or
 - iii. Making other reasonable contacts or requests to determine the amount of time for self-employment.
- e. If the contractor is unable to make a reasonable assessment of the hours needed for self-employment after attempting to verify such hours and documenting the attempts, the contractor may divide the parent's self-

employment income by the applicable minimum wage (5 CCR 18078(q) (4)). The resulting quotient shall be the maximum hours needed for employment per month.

- f. For the instances identified in the previous sections above, the parent shall provide a release to enable the contractor to obtain the information it deems necessary to support the parent's asserted days and hours worked per week.
 - g. If additional services are requested for travel time or sleep time to support employment, the contractor shall determine, as applicable, the time authorized for:
 - i. Travel to and from the location at which services are provided and the place of employment, not to exceed half of the daily hours authorized for employment to a maximum of four (4) hours per day; or
 - ii. Sleep, if the parent is employed anytime between 10:00 p.m. and 6:00 a.m., not to exceed the number of hours authorized for employment and travel between those hours.
7. Documentation of Need: Employment in the Home or a Licensed Family Day Care Home; Service Limitations (*EC* 8261, 8263 and 8265; 5 CCR 18086.1)

The requirements of this section are in addition to those stated above.

- a. If the parent's employment is in the family's home or on property that includes the family's home, the parent must provide justification for requesting subsidized child care and development services based on the type of work being done and its requirements, the age of the family's child for whom services are sought, and, if the child is more than five (5) years old, the specific child care needs. The contractor shall determine and document whether the parent's employment and the identified child care needs preclude the supervision of the family's child.
- b. If the parent is a licensed family day care home provider pursuant to California *Health and Safety Code* Section 1596.78 or an individual license-exempt provider pursuant to California *Health and Safety Code* Section 1596.792, subdivisions (d) or (f), the parent is not eligible for subsidized services during the parent's business hours because the parent's employment does not preclude the supervision of the family's child.
- c. If the parent is employed as an assistant in a licensed large family day care home, pursuant to California *Health and Safety Code* Section

1596.78(b), and is requesting services for the family's child in the same family day care home, the parent shall provide documentation that substantiates all of the following:

- i. A copy of the family day care home license indicating it is licensed as a large family day care home;
 - ii. A signed statement from the licensee stating that the parent is the assistant, pursuant to the staffing ratio requirement of 102416.5(c);
 - iii. Proof that the parent's fingerprints are associated with that licensed family day care home as its assistant, which the contractor may verify with the local community care licensing office; and
 - iv. Payroll deductions withheld for the assistant by the licensee, which may be a pay stub.
8. Documentation of Seeking Employment; Service Limitations (*EC* 8261, 8263 and 8265; 5 *CCR* 18086.5 and 18101)
- a. If the basis of need as stated on the application for services is seeking employment, the parent's period of eligibility for child care and development services is limited to sixty (60) working days during the contract period, except as specified in 5 *CCR* 18086(d) and (e) or if the SSPI suspends eligibility limitation pursuant to 5 *CCR* 18086.5(d). Services shall occur no more than five (5) days per week and for less than thirty (30) hours per week. The period of eligibility shall start on the day authorized by the contractor and extend for consecutive working days.
 - b. Documentation of seeking employment shall include a written parental declaration signed under penalty of perjury stating that the parent is seeking employment. The declaration shall include the parent's plan to secure, change, or increase employment and shall identify a general description of when services will be necessary.
 - c. The contractor shall determine the number of working days available for seeking employment and the child care schedule, which may be a variable schedule, based on the documentation. During the period of authorization and if necessary to verify need, the contractor may request that the parent provide, no more than once a week, a description of the activities he or she has undertaken during the previous week to seek employment and, as appropriate, may require additional documentation.
 - d. If the parent has concurrently received services based on employment or vocational training for at least twenty (20) working days while receiving services for seeking employment, eligibility for seeking employment may be extended for an additional twenty (20) working days. For such a parent,

services for this purpose shall not exceed eighty (80) working days during the contract period.

- e. If services for this purpose are discontinued, the number of working days remaining in the period of eligibility shall be available for a subsequent period of eligibility during the contract period.
 - f. The working days used to determine the period of eligibility shall include consecutive Mondays through Fridays, excluding any federal holidays.
9. Documentation of Need: Training Toward Vocational Goals; Service Limitations (EC 8261, 8263 and 8265; 5 CCR 18087)
- a. If the basis of need on the application for services is vocational training leading to a recognized trade, paraprofession, or profession, child care and development services shall be limited, except for whichever expires first:
 - i. Six (6) years from the initiation of services pursuant to this section; or
 - ii. Twenty-four (24) semester units, or its equivalent, after the attainment of a Bachelor's Degree.
 - b. The parent shall provide documentation of the days and hours of vocational training to include:
 - i. A statement of the parent's vocational goal;
 - ii. The name of the training institution that is providing the vocational training;
 - iii. The dates that current quarter, semester, or training period, as applicable, will begin and end;
 - iv. A current class schedule that is either an electronic print-out from the training institution of the parent's current class schedule or, if unavailable, a document that includes all of the following:
 - a) The classes in which the parent is currently enrolled;
 - b) The days of the week and times of day of the classes; and
 - c) The signature or stamp of the training institution's registrar.
 - v. The anticipated completion date of all required training activities to meet the vocational goal; and

- vi. Upon completion of a quarter, semester, or training period, as applicable, a report card, a transcript, or, if the training institution does not use formal letter grades, other records to document that the parent is making progress toward the attainment of the vocational goal.
- c. A parent shall report any change in his or her class schedule related to the days and times of any class, including a withdrawal from a class, within five (5) calendar days of requesting the change from the institution.
- d. Services may be provided for classes related to the High School Equivalency Test (HSET) or English language acquisition if such courses support the attainment of the parent's vocational goal.
- e. On-line or televised instructional classes that are unit bearing classes from an accredited training institution shall be counted as class time at one (1) hour a week for each unit. The parent shall provide a copy of the syllabus or other class documentation and, as applicable, the Web address of the on-line program. The accrediting body of the training institution shall be among those recognized by the United States Department of Education.
- f. Continuation of services based on training is contingent upon making adequate progress. To make progress each quarter, semester, or training period, as applicable, the parent shall, in the college classes, technical school, or apprenticeship for which subsidized care is provided:
 - i. In a graded program, earn a 2.0 grade point average; or
 - ii. In a non-graded program, pass a program's requirements in at least fifty percent (50%) of the classes or meet the training institution's standard for making adequate progress.
- g. The first time the parent does not meet the condition the parent may continue to receive services for one additional quarter, semester, or training period, as applicable, to improve the parent's progress. At the conclusion of that session, the parent shall, in the classes for which subsidized care was provided, have made adequate progress. If the parent has not made adequate progress, services for this purpose shall be:
 - i. Terminated; and
 - ii. Available to the parent, to the extent provided on the basis of need above, and explained after six (6) months from the date of termination.

- h. No later than ten (10) calendar days after the training institution's release of progress reports for the quarter, semester, or vocational training period, as applicable, the parent shall provide the contractor with a copy of the parent's official progress report. As it deems appropriate, the contractor may require the parent to:
 - i. Have an official copy of the progress report sent directly from the training institution to the contractor; or
 - ii. Provide a release, as may be required by the training institution, to enable the contractor to verify the parent's progress with the institution.
- i. A parent may change his or her vocational goal, but services shall be limited to the time or units remaining from the initiation of the provision of services for vocational training.
- j. The contractor shall determine the days and hours needed per week, and whether the parent is making progress, based on the documentation. The contractor may request that the parent provide a publication from the training institution describing the classes required to complete the parent's vocational goal.
- k. If additional services are requested for study time or travel time to support the vocational training, the contractor shall determine, as appropriate, the amount of services needed for:
 - i. Travel to and from the location at which services are provided and the training location, not to exceed half of the weekly hours authorized for training to a maximum of four (4) hours per day; or
 - ii. Study time, including study time for on-line and televised instructional classes, according to the following:
 - a) Two (2) hours per week per academic unit in which the parent is enrolled;
 - b) On a case-by-case basis and as may be confirmed with the class instructor, additional time not to exceed one (1) hour per week per academic unit in which the parent is enrolled; and
 - c) On a case-by-case basis, no more than the number of class hours per week for non-academic or non-unit bearing training.

- I. The service limitations specified above shall not apply to a parent who demonstrates he or she is:
 - i. As of June 27, 2008, receiving services for vocational training and has attained a Bachelor's Degree;
 - ii. Receiving services from a program operating pursuant to *EC* 66060;
 - iii. Attending vocational training when the parent has been deemed eligible for rehabilitation services by the California Department of Rehabilitation; or
 - iv. Attending retraining services available through the Employment Development Department of the State or its contractors due to a business closure or mass layoff.

10. Documentation of Need: Parental Incapacity; Service Limitations (*EC* 8261, 8263 and 8265; 5 *CCR* 18088)
 - a. If the basis of need as stated on the application for services is parental incapacity, child care and development services shall not exceed fifty (50) hours per week.
 - b. Documentation shall include a release signed by the incapacitated parent authorizing a legally qualified health professional to disclose information necessary to establish that the parent meets the definition of incapacity, (5 *CCR* 18078) and needs services.
 - c. The documentation of incapacitation provided by the legally qualified health professional shall include:
 - i. A statement that the parent is incapacitated, that the parent is incapable of providing care and supervision for the child for part of the day, and, if the parent is physically incapacitated, that identifies the extent to which the parent is incapable of providing care and supervision;
 - ii. The days and hours per week that services are recommended to accommodate the incapacitation, taking into account the age of the child and the care needs. This may include time for the parent's regularly scheduled medical or mental health appointments;
 - iii. The probable duration of the incapacitation; and

- iv. The name, business address, telephone number, professional license number, and signature of the legally qualified health professional who is rendering the opinion of incapacitation and, if applicable, the name of the health organization with which the professional is associated.
 - d. The contractor may contact the legally qualified health professional for verification, clarification, or completion of the provided statement.
 - e. The contractor shall determine the days and hours of service based on the recommendation of the health professional and consistent with the provisions of this article.
11. Documentation of the Child's Exceptional Needs (*EC 8261 and 8263;5 CCR 18089*)

The family data file shall contain documentation of the child's exceptional needs. If the contractor is claiming adjustment factors pursuant to *EC 8265.5(b)(4)* or *(b)(5)*, the child with exceptional needs is eleven (11) to twenty-one (21) years of age, or the contractor is operating a program pursuant to *EC 8250(d)*, the documentation of exceptional needs shall include:

- a. A copy of the portion of the active individual family service plan (IFSP) or the individualized education program (IEP) that includes the information as specified in *EC 56026* and *5 CCR, 3030 and 3031*; and
 - b. A statement signed by a legally qualified professional that:
 - i. The child requires the special attention of adults in a child care setting; and
 - ii. Includes the name, address, license number, and telephone number of the legally qualified professional who is rendering the opinion.
12. Documentation of Eligibility/Need: Child Protective Services for Recipients Receiving Services; Children Identified As At Risk of Abuse, Neglect or Exploitation (*EC 8261, 5 CCR 18081 and 18092*)

The family data file shall contain the following documentation for eligibility and /or need is as follows: (*5 CCR 18092*)

- a. Child Protective Services for Recipients - If eligibility and need as specified in *EC 8263(a)(1)* and *(a)(2)* are based on child protective services, the family data file shall contain:

- i. Written referral, dated within the six (6) months immediately preceding the date of application for services. The written referral shall include:
 - a) A statement from the local county welfare department, child protective services unit certifying that the child is receiving child protective services and the child care and development services are a necessary component of the child protective services plan; or
- ii. The probable duration of the child protective services plan or the at risk situation; and
- iii. The name, address, telephone number, and signature of the legally qualified professional who is making the referral.

13. Child is Identified As, Or Children At Risk of Abuse, Neglect, or Exploitation

If eligibility and need are based on the child being identified as abused, neglected or exploited, or at risk of abuse, neglect or exploitation, the family data file shall contain: (5 CCR 18081)

- a. A written referral, dated within 6 months immediately preceding the date of the application for services from a legally qualified professional from a legal, medical, or social services agency, or emergency shelter, transitional shelter, Head Start program or a LEA liaison for homeless children and youth pursuant to 42 US 11432(g)(91)(j)(ii) certifying that:
- b. The child is identified as being abused, neglected or exploited or is at risk of abuse, neglect, or exploitation and that the family needs child care and development services; and
- c. The probable duration of the need for child care and development services; and
- d. The name, business address, telephone number, and signature of the legally qualified professional who is making the referral and information that identifies the agency, Local Education Agency (LEA), Head Start Program or shelter with whom the individual is associated.

14. Documentation of Signed Child Care Data Collection Privacy Notice and Consent Form (5 CCR 18081(c))

A signed Child Care Data Collection Privacy Notice and consent form CD 9600A shall be included.

15. Documentation of Child Health and Emergency Contact Information (5 CCR 18081 (e))

The family data file shall contain all child health and current emergency information required by California *Code of Regulations*, Title 22 Social Security, Division 12, Section 101221 Community Care Facilities Licensing Regulations with the following exception. Immunization records are not required to be in the family data file for children attending a public or private elementary school or for children receiving care in licensed facilities and reimbursed pursuant to *EC 8220* and *8350*.

16. Notice of Action, Application for Services – Approving or Denying Services (*EC 8261* and *8263*); (5 CCR 18081, 18083, 18094 and 18095)

After the initial certification, the contractor's decision to approve or deny services shall be communicated to the applicant through a written statement referred to as a Notice of Action, Application for Services, in accordance with 5 CCR 18118.

The contractor shall maintain copies of the Notice of Action, Application for Services in the basic data file. The Notice of Action, Application for Services shall include:

- a. The applicant's name and address;
- b. The contractor's name and address;
- c. The name and telephone number of the contractor's authorized representative who made the decision;
- d. The date of the notice;
- e. The method of distribution of the notice.
- f. If services are approved, the notice shall contain:
 - i. Basis of eligibility;
 - ii. Daily/hourly fee, if applicable;
 - iii. Duration of the eligibility;
 - iv. Names of children approved to receive services;
 - v. Hours of service approved for each day.
- g. If the services are denied, the notice shall contain:

- i. The basis of denial; and
 - ii. Instructions for the parent(s) on how to request a hearing if they do not agree with the contractor's decision as stated in the Notice of Action, Application for Services in accordance with procedures specified in 5 *CCR* 18120 and 18121 and the Due Process Section.
- 17. Notice to Families of Their Responsibility to Notify Contractor of Changes to Family Circumstances (5 *CCR* 18102)

At the time the contractor certifies or recertifies eligibility of a family/child for child care and development services, the contractor shall inform the family of the family's responsibility to notify the contractor within five (5) calendar days of any changes in family income, family size, or the need for services as specified in *EC* 8263(a) (2).

- 18. Updating the Application (*EC* 8261 and 8263; 5 *CCR* 18102 and 18103(b))
 - a. Contractors shall update the family's application to document continued need and eligibility and determine any change to fee assessment, if applicable, as follows:
 - i. For migrant and other seasonally employed families, the application shall be updated within thirty (30) days whenever there is a change in family size or need as specified in as specified in 5 *CCR* 18083 (e) if need is based on training or incapacity of the parent.
 - ii. For all other families, the application shall be updated within thirty (30) days whenever there is a change in family size, income, public assistance status or need.
 - b. The requirement for updating the files does not apply to families receiving services because the child is receiving child protective services or has been identified as abused, neglected or exploited or at risk of abuse, neglect or exploitation.

- 19. Recertification (*EC* 8261, 8263(b) (1) (B) and (C) and 5 *CCR* 18103)

After initial certification and enrollment, the contractor shall verify need and eligibility and recertify each family/child as follows:

- a. Families receiving child care and development program services because the child is at risk of abuse, neglect, or exploitation shall be recertified at least once every six months, and at the time of recertification, the contractor shall document that the family is participating in a protective services plan in accordance with the requirements of their local county welfare department, child protective services unit to alleviate the

circumstances causing the abuse, neglect, or exploitation. The family can continue to receive child care and development services based on any of the following reasons:

- i. The child is receiving protective services and child care and development services are part of the case plan;
 - ii. The family meets other need and eligibility criteria pursuant to *EC 8263 (a) (1) and (a) (2)*;
 - b. Families receiving services because the child is receiving child protective services shall be recertified at least every twelve (12) months. Recertification must be completed prior to the date identified on the child protective services referral as the duration of care. Families may continue to receive child care and development program services for child protective services children as needed, if the county welfare department, child welfare services worker certifies that the family continues to receive child protective services and that child care and development services are part of the case plan or if the family meets other need and eligibility.
 - c. All other families shall be recertified at least once each contract period and at intervals not to exceed twelve (12) months.
20. Notice of Action, Recipient of Services – Recertifying or Updating Services (*EC 8261, 8263 and 5 CCR 18095*)
- a. Contractors shall update the family’s application to document continued need and eligibility determine any change to fee assessment if applicable, between recertification. The application shall be revised by inserting the latest family information that documents the continued need and eligibility for child care and development services. (*5 CCR 18078 (t)*)
 - b. If upon recertification or update of the application, the contractor determines that the need or eligibility requirements are no longer being met, or the fee or amount of service needs to be modified, the contractor shall notify the family through a written Notice of Action, Recipient of Services (*5 CCR 18119*).
 - c. The contractor shall maintain copies of all Notices of Action, Recipient of Services in the family’s basic data file. The Notice of Action, Recipient of Services shall include:
 - i. The type of action being taken;
 - ii. The effective date of the action;

- iii. The name and address of the recipient;
- iv. The name and address of the contractor;
- v. The name and telephone number of the contractor's authorized representative who is taking the action;
- vi. The date the notice is mailed or given to the recipient;
- vii. The method of distribution to the recipient;
- viii. A description of the action;
- ix. A statement of the reason(s) for the changes;
- x. A statement of the reason(s) for termination, if applicable; and
- xi. Instructions for the parent(s) on how to request a hearing if they do not agree with the contractor's decisions as stated in the Notice of Action, Recipient of Services in accordance with procedures specified in 5 CCR 18120 and 18121. These instructions shall inform parents how to request a hearing from the contractor and, if necessary, from the Early Education and Support (EESD) Division as described in 5 CCR 18120 and 18121.

For full due process and documentation requirements see section on Due Process.

III. OTHER REQUIREMENTS

A. Limited Term Service Leave Requirements (*EC* 8261, 8263, 8265 and 8269; 5 *CCR* 18104)

If the family will temporarily not have a need for child care and development program services the contractor may grant the family a limited term service leave. Reasons for a limited term service leave shall include medical leave and family leave, and may include, but are limited to, break in employment, school break, the child's visit with non-custodial parent that is not ordered by the court, or family vacation in excess of best interest days as specified in 5 *CCR* 18066(f)

1. Family Leave means a leave:
 - a. For the birth and care of the newborn child of the parent;

- b. For placement with the parent of a child for adoption or foster care; and
 - c. To care for the parent's child, spouse, or parent who has a health condition.
- 2. If the contractor offers limited term service leaves, the contractor:
 - a. Shall provide equal access to limited term service leaves; and
 - b. May set a limit on the number of leaves to be granted in a contract year based on an assessment of contract resources pursuant to 5 CCR, 18054.
- 3. If the contractor grants a limited term service leave:
 - a. The family shall not be disenrolled from the program;
 - b. The service agreement with the parent shall indicate that no services will be provided during the limited term service leave; and
 - c. The contractor shall not report the child as enrolled nor claim reimbursement from the CDE while the child is on a limited term service leave.
- 4. A limited term service leave shall not exceed twelve (12) consecutive weeks in duration
- 5. A limited term service leave from employment or training shall not exceed sixteen (16) consecutive weeks in duration if the leave is for:
 - a. A medical or family leave; or
 - b. A period when the vocational training program is not in spring, fall, or winter sessions.

IV. ADMISSION POLICIES AND PROCEDURES (*EC 8261 and 8263(b); 5 CCR 18105, 18106, 18221 and 18430*)

- A. General Admission Procedures (*EC 8261 and 8263(b); 5 CCR 18105 and 18106*)
 - 1. Contractors shall develop written admission policies and procedures which shall be made available to the public (*5 CCR 18105(a)*) including plans for the care of children when they are sick (*EC 8251*).

2. Upon notification from CDE that all funds have been allocated for that fiscal year, the contractor shall:
 - i. Review the Stage 1 and 2 caseload designated to transfer into the contractor's Stage 3 contract each month for the remainder of contract period to determine if the current contract amount is sufficient to continue current child care services.
 - ii. Continue to enroll families until funding is insufficient for families that have timed out of Stage 1 or 2 the previous month.
 - iii. Upon determination that funding is insufficient to provide services to all families that will time-out that specific month, enroll families with priority given to families with the lowest adjusted monthly income.
 - iv. If additional Stage 3 funds become available due to attrition, the families that timed-out in the month that funding becomes available shall be enrolled in income ranking order.
 - v. If services (Stage 3) are terminated due to insufficient funds, the contractor shall mail or personally deliver a completed notice of action to the parent(s) as indicated below.

B. Waiting List (*EC 8261 and 8263(b); 5 CCR 18106*)

The contractor shall not establish a waiting list for CalWORKs Stage 3 when there are insufficient funds pursuant to this section.

C. Coordination between Alternative Payment Programs

1. Contractors administering Stage 2 programs in counties where there are multiple contractors shall coordinate services and cooperate to ensure all eligible families receive and continue to receive services. Contractors may coordinate across county boundaries so that eligible families living in the county, employed in the county, or receiving child care in the county receive and continue to receive such services.

- a. Program Policies (*EC 8353, 8358, 5 CCR 18430*)

Contractors shall comply with the following responsibilities:

- i. Assist parents in choosing a child care provider by providing parents with a referral to the local resource and referral agency. The contractor shall inform parents of policies developed for provider payments and family (parent) fees (*5 CCR 18428(d)*).

- ii. Not require the family or the provider to furnish any documentation previously provided to a county welfare department or an alternative payment program within the one year prior to application, unless the documentation is absent from the existing file and the documentation affects the eligibility for child care services.(5 CCR 18430(c)).
- iii. 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. (5 CCR 18430(d)).

V. FAMILY FEES

A. Fee Schedule

- 1. Contractors shall use the most recently approved fee schedule prepared and issued by the CDE when determining whether a family fee is applicable, and the amount of a family fee. Family fees shall be assessed at initial enrollment and reassessed at update of certification or recertification. (*EC 8273(f)*).

B. Fee Assessment; Explanation to Parents (*EC 8273 and 8273.2, 5 CCR 18078(a), 18108 and 18109*)

- 1. Family fees shall be assessed at initial enrollment and reassessed at update of the certification or recertification (*EC 8273(f)*).
- 2. Families shall be assessed a flat fee based on:
 - a. The adjusted monthly family income;
 - b. Family size; ~~families having fewer than three (3) members shall be regarded as a family of three (3);~~
 - c. The fee shall be assessed and collected based on the family's child who is enrolled for the longest period;
 - d. The fee assessed and collected shall be either the fee indicated on the fee schedule, the actual costs of services or the contract maximum daily/hourly rate, whichever is least;

- e. The fee shall be the full portion of the family's cost for services.
- 3. The contractor shall maintain a record of each family's fee assessment, the effective date(s) of each fee increase or decrease, the dates and amounts of fees collected and any amounts which are delinquent.
- 4. The contractor shall provide the family a copy of and explain to the parent(s) the contractor's policies regarding fee assessment and collection and the possible consequences for delinquent payment of fees.
- 5. If the contractor must temporarily serve a child based on his/her status as a child protective services or at risk child, and if the adjusted monthly countable income is over seventy percent (70%) of the state median income based on the family fee schedule, the family will pay the amount of fees assessed to a family whose adjusted monthly income is seventy percent (70%) of the state median income.

C. Exceptions to Family Fee Assessment (*EC 8273.1* and *5 CCR 18110*)

- 1. No fees shall be collected from the following types of families whose children are enrolled:
 - a. With an income level that, in relation to family size, is less than the first entry in the fee schedule;
 - b. In which any individual counted in the family size is receiving CalWORKs cash aid; or
 - c. Families whose children are enrolled in a part-day CSPP as described in *EC 8235(d)*.
- 2. Families receiving services because the child is identified as abused, neglected or exploited or at risk of abuse, neglect, or exploitation, may be exempt from paying fees for up to three (3) months (*EC 8273.1(a)*) if the referral prepared by a legally qualified professional from a legal, medical, or social services agency, or head Start Program, emergency shelter, transitional shelter or LEA Liaison for Homeless Children and Youth specifies that it is necessary to exempt the family from paying a fee.
- 3. Families receiving services because the child is receiving protective services may be exempt from paying fees for up to twelve (12) months (*EC 8273.1(b)*) if the referral prepared by the county welfare department, child welfare services worker specifies that it is necessary to exempt the family from paying a fee.

4. The cumulative period of time of fee exemption for families receiving services because the child is at risk of abuse, neglect, or exploitation or for families receiving child care services because the child is receiving protective services shall not exceed twelve (12) months.
5. A family receiving CalWORKs cash aid shall not be charged a family fee (*EC 8273.1 (d)*).

D. Co-Payments (*EC 8369 and 8273; 5 CCR 18220.6*)

A parent may choose any eligible provider regardless of the provider's rate;

However, when a provider's rate and other allowable charges exceed the maximum subsidy amount, the family shall be responsible for paying the provider the difference between the provider's rate and the maximum subsidy amount. This shall be considered the family's co-payment. The contractor shall not be responsible for collecting the family's co-payment.

E. No Additional Payments or Costs; Exceptions (*EC 8263 (h) (2); 5 CCR 18111*)

Except as provided below, neither a contractor nor a provider of services shall require or solicit, in cash or in kind, additional payments from the recipients of service. The prohibition includes activities or services that would increase the family's cost of participation including meals, recreation and field trips. If additional payments are made or additional costs are incurred by the family, the contractor shall refund to the parent(s) the amount of payments made or costs incurred.

A contractor or a provider of service need not make a refund as specified in subdivision (a) above when the family is enrolled in an Alternative Payment program and the parent(s) has voluntarily placed the child with a service provider that requires all parent(s) to provide a sack lunch or supplies such as diapers. (*5 CCR 18111 (b)*)

The contractor may require parents to provide diapers. The contractor providing field trips may charge parents a fee. No federal or state money shall be used to reimburse parents for the costs of field trips if those costs are charged as an additional fee. A contractor that charges parents an additional fee for field trips shall inform parents, prior to enrolling the child, that a fee may be charged and that no reimbursement will be available. A contractor may charge parents for field trips or require parents to provide diapers only under the following circumstances: (*EC 8273.3*)

1. The contractor has a written policy adopted by the governing board that includes the parents' decision making process regarding:
 - a. Whether or not, and how much, to charge for field trip expenses;

- b. Whether or not to require parents to provide diapers
- c. The maximum total charges per child in a contract year does not exceed twenty-five dollars (\$25)
- d. No child is denied participation in a field trip due to the parent's inability or refusal to pay the charge. No adverse action shall be taken against any parent for that inability or refusal

The contractor shall establish a payment system that prevents the identification of children based on whether or not their parents have paid a field trip charge.

Expenses incurred and income received for field trips shall be reported to the CDE and income received shall be reported as restricted income.

F. Credit for Fees Paid to Other Service Providers (*EC 8269 and 8273; 5 CCR 18112*)

This section shall apply to child care and development services provided by someone other than the contractor.

When a contractor cannot meet all of a family's needs for child care for which eligibility and need have been established, the contractor shall grant a fee credit equal to the amount paid to the other provider(s) of these child care and development services. The contractor shall apply the fee credit to the family's subsequent fee billing period. The family shall not be allowed to carry over the fee credit beyond the family's subsequent fee billing period.

The contractor shall obtain copies of receipts or cancelled checks for the other child care and development services from the parent. The copies of the receipts or cancelled checks shall be maintained in the contractor's fee assessment records (*5 CCR 18112*)

G. Receipt for Payment of Fee (*EC 8269 and 8273; 5 CCR 18113*)

The contractor or service provider shall provide an original copy of a pre-numbered receipt to each person who pays a fee. The receipt shall show the amount paid, the date of payment, the rate of payment and the period of service purchased. The contractor shall retain a copy of the receipt in its fee assessment records.

H. Advance Payment of Fees; Delinquent Fees; Notice of Delinquency (*EC 8269 and 8273; 5 CCR 18114*)

Contractors shall adopt a policy for the collection of fees in advance of providing child care and development services. The written policy shall be provided to families at the time of initial enrollment into the program.

Fees shall be considered delinquent on the date the contractor is notified by the provider that fees have not been paid.

A Notice of Action, Recipient of Services shall be used to inform the family of the following:

1. The total amount of unpaid fees
2. The fee rate
3. The period of delinquency
4. That services shall be terminated two (2) weeks from the date of the Notice unless all delinquent fees are paid before the end of the two-week (2) period

I. Plan for Payment of Delinquent Fees; Consequences of Nonpayment of Delinquent Fees (*EC 8269 and 8273; 5 CCR 18115 and 18116*)

The contractor shall accept a reasonable plan from the parent(s) for payment of delinquent fees. The contractor shall continue to provide services to the child, provided that the family pays current fees when due and complies with the provisions of the payment plan.

Upon termination of services for nonpayment of delinquent fees, the family shall be ineligible for child care and development services until all delinquent fees are paid.

J. Offset of Family Fees Paid to Providers (*EC 8269 and 8273; 5 CCR 18228*)

If the contractor's policy allows parents to make direct payments of their fees to the provider, the provider shall submit a copy of the parent's receipt to the contractor. The contractor shall offset the amount of the fee paid by the parent in calculating the reimbursement due to the provider. Offsets shall not be made for co-payments.

The contractor shall report the amount of fees collected and retained by the provider as "income" on the fiscal reports as specified in Accounting and Reporting Requirements. The contractor shall report its reimbursement to the provider along with the amount of fees paid directly by the parent which served in lieu of reimbursement from the contractor to the provider as "expense" on the fiscal reports.

VI. CONFIDENTIALITY OF RECORDS (*EC 8358.5; 5 CCR 18117*)

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. The contractor shall permit the review of the family data file by the child's parent(s) or parent's authorized representative, upon request and at reasonable times and places.

VII. DUE PROCESS REQUIREMENTS

A. Notice of Action, Application for Services, Approval or Denial (*EC 8237, 8261, 8263, 5 CCR 18094 and 18118*)

1. The contractor's decision to approve or deny services shall be communicated to the applicant by mailing or delivering a completed statement referred to as a Notice of Action, Application for Services within:
 - a. Thirty (30) calendar days from the date the application is signed by the parent(s);
 - b. Thirty (30) calendar days after receipt of the certification of transfer document from the parent(s); or
 - c. At the end of the timeline established by the contractor's policy by which the certification of transfer document must be signed by the parent(s) and returned to the contractor.
2. The Notice of Action, Application for Services shall include:
 - a. The applicant's name and address;
 - b. The contractor's name and address;
 - c. The name and telephone number of the contractor's authorized representative who made the decision;
 - d. The date of the notice;
 - e. The method of distribution of the notice.
3. If services are approved, the notice shall also contain:
 - a. Basis of eligibility;
 - b. Monthly, weekly, daily, hourly fee, if applicable;

- c. Duration of the eligibility;
 - d. Names of children approved to receive services;
 - e. Hours of service approved for each day.
4. If services are denied, the notice shall also contain:
- a. The basis of denial; and
 - b. Instructions for the parent(s) on how to request a hearing if they do not agree with the contractor's decision;
 - c. For eleven (11) and twelve (12) year olds who are otherwise eligible except for their age, the notice shall include:
 - i. Information to parents that their child can receive first priority for enrollment in an Afterschool Education and Safety (ASES) program or 21st Century Community Learning Centers at the child's school of attendance, and may be able to receive services in a program located at another school in the district. If programs are full, these children will be given first priority on the waiting list for these programs.
 - ii. A statement advising parent(s) that in order to receive first priority for services, a copy of the NOA must be provided to the ASES or 21st Century program at the time of enrollment.
 - iii. A list of programs along with contact information for before and after school programs located in the family's community.

B. Notice of Action, Recipient of Services (*EC 8261 and 8263; 5 CCR 18095*)

If upon recertification or update of the application, the contractor determines that the need or eligibility requirements are no longer being met, or the fee or amount of service needs to be modified, the contractor shall notify the family through a written Notice of Action, Recipient of Services.

1. The Notice of Action, Recipient of Services shall include:
- a. The type of action being taken;
 - b. The effective date of the action;
 - c. The name and address of the recipient;

- d. The name and address of the contractor;
 - e. The name and telephone number of the contractor's authorized representative who is taking the action;
 - f. The date the notice is mailed or given to the recipient;
 - g. The method of distribution to the recipient;
 - h. A description of the action;
 - i. A statement of the reason(s) for the changes;
 - j. A statement of the reason(s) for termination, if applicable.
- 2. Instructions for the parent(s) on how to request a hearing if they do not agree with the contractor's decisions in accordance with procedures.
 - 3. If termination is due to a child reaching his eleventh (11th) birthday, the contractor shall:
 - a. Information to parents that their child can receive first priority for enrollment in an Afterschool Education and Safety (ASES) program or 21st Century Community Learning Centers at the child's school of attendance, and may be able to receive services in a program located at another school in the district. If programs are full, these children will be given first priority on the waiting list for these programs.
 - b. A statement advising parent(s) that in order to receive first priority for services, a copy of the NOA must be provided to the ASES or 21st Century program at the time of enrollment.
 - c. A list of programs along with contact information for before and after school programs located in the family's community.
- C. Changes Affecting Services to the Service Agreement (*EC 8261 and 8263(c); 5 CCR 18119*)
- 1. The contractor shall complete a Notice of Action, Recipient of Services when changes are made to the service agreement. Such changes may include, but are not limited to, an increase or decrease in parent fees, an increase or decrease in the amount of services or termination of service.
 - 2. The contractor shall mail to the parents at least fourteen (14) calendar days before the effective date of the intended action whenever:

- a. The contractor has factual information that confirms the death of the parent or the child;
- b. The contractor receives notification from the parent that the parent no longer wants the service;
- c. The agreement for services was a limited term authorization which has come to the end of the term, and at the time of approval of the limited term authorization, the parent was informed in writing of the date services would terminate; or
- d. The parent does not provide eligibility or need information after a written request by the contractor.

(If the Notice of Action is mailed, the fourteen (14) calendar day period is extended by five (5) calendar days, which establishes a presumption that the parent received the Notice of Action.)

D. Parent(s) Request for a Hearing; Rules and Procedures (*EC 8261; 5 CCR 18120*)

1. If the parent disagrees with an action, the parent(s) may file a request for a hearing with the contractor within fourteen (14) calendar days of the date the Notice of Action was received. Upon the filing of a request for hearing, the intended action shall be suspended until the review process has been completed. The review process is complete when the appeal process has been exhausted or when the parent(s) abandons the appeal process.
2. Within ten (10) calendar days following the receipt of the request for a hearing, the contractor shall notify the parent(s) of the time and place of the hearing. The time and place of the hearing shall, to the extent possible, be convenient for the parent(s).
3. The hearing shall be conducted by an administrative staff person who shall be referred to as "the hearing officer." The hearing officer shall be at a staff level higher in authority than the staff person who made the contested decision.
4. The parent(s) or parent's(s') authorized representative is required to attend the hearing. If the parent or the parent's authorized representative fails to appear at the hearing, the parent(s) will be deemed to have abandoned his or her appeal. Only persons directly affected by the hearing shall be allowed to attend.
5. The contractor shall arrange for the presence of an interpreter at the hearing, if one (1) is requested by the parent(s).

6. The hearing officer shall explain to the parent(s) the legal, regulatory, or policy basis for the intended action.
7. During the hearing, the parent(s) shall have an opportunity to explain the reason(s) they believe the contractor's decision was incorrect. The contractor's staff shall present any material facts omitted by the parent(s).
8. The hearing officer shall mail or deliver to the parent(s) a written decision within ten (10) calendar days after the hearing. The written decision shall contain procedures for submitting an appeal to the CDE.

E. Appeal Procedure for CDE Review (*EC 8261; 5 CCR 18121*)

1. If the parent disagrees with the written decision from the contractor, the parent has fourteen (14) calendar days in which to appeal to the CDE. If the parent(s) do(es) not submit an appeal request to the CDE within fourteen (14) calendar days, the parents' appeal process shall be deemed abandoned and the contractor may implement the intended action.
2. The parent(s) shall specify in the appeal request the reason(s) why he/she believes the contractor's decision was incorrect. A copy of the contractor's notice of intended action and written decision shall be submitted by the parent(s) with the appeal request.
3. Upon receipt of an appeal request, the CDE may request copies of the family data file and other relevant materials from the contractor. The CDE may also conduct any investigations, interviews or mediation necessary to resolve the appeal.
4. The decision of the CDE shall be mailed or delivered to the parent(s) and to the contractor within thirty (30) calendar days after receipt of the appeal request.

F. Contractor Compliance with the CDE Decision; Reimbursement for Services during the Appeal Process (*EC 8261; 5 CCR 18122*)

The contractor shall comply with the decision of the CDE immediately upon receipt thereof. The contractor shall be reimbursed for child care and development services delivered to the family which is appealing during the appeal process. If a contractor's determination that a family or the child is ineligible is upheld by the CDE, services to the family shall cease upon receipt of the CDE's decision by the contractor.

VIII. INFORMATION ON CONTRACTOR POLICIES (*EC 8222, 8261, 8357 8447(b); 5 CCR 18221*)

- A. The contractor shall develop and implement a written policy statement which shall include information regarding:
1. A description of the program's purpose, design, and organization framework;
 2. Priorities for enrollment;
 3. Family eligibility requirements;
 4. Conditions for participation;
 5. Reimbursement of providers not to exceed the applicable regional market rate ceiling for the type of care provided;
 6. Requirements for provider participation;
 7. Range of services available including licensed care, sectarian care, and exempt care including in-home care;
 8. Parent fee collection policy and procedures including direct reimbursement to the provider, if allowable;
 9. Voucher or certificate procedures ensuring that the certificate will be easy for the parent to obtain, the provider will receive timely reimbursement for services rendered and that the parent may use the certificate with any provider at the applicable regional market rate ceiling established by statute (unless the parent is willing to make a co-payment if the provider is above the applicable regional market rate ceiling established by statute). Procedures shall include language specifying that payments will not be made for services when care is provided by parents, legal guardians or members of the assistance unit.
- B. The contractor shall notify the county welfare department of the actions of the family that violated the contractor's policy to determine what action may be taken.

IX. INFORMATION TO BE GIVEN TO PARENTS (*EC 8225, 8226, and 8261; 5 CCR 18222 and 18224.4*)

- A. The contractor shall provide parents with the following information upon enrollment in the program:
1. The policy statement;

2. Information regarding the confidentiality of records;
3. Information regarding grievance procedures for parents, including information regarding Uniform Complaint Procedures;
4. Information regarding the rights of parents to change child care settings;
5. If the parent(s) speak(s) a language other than English or is (are) hearing impaired, the information shall be provided either through written materials or by presentation of an interpreter in the language the parent understands;
6. Responsibility to sign and submit the Health and Safety Self-Certification for non-relative license-exempt care and responsibility to sign and submit the Declaration of Exemption from TrustLine Registration and Health and Safety Self-Certification for care provided by the child's grandparent, aunt, or uncle;
7. Information regarding legal and financial reporting requirements if the parent selects in-home care;
8. Information regarding the voucher or certificate procedures;
9. Within two (2) business days of receiving license suspension or revocation information from the Resource and Referral program, the contractor shall notify in writing the parents utilizing the facility that the reimbursement has been terminated and the reason for the termination;
10. Within two (2) business days of being notified by the Resource and Referral program that a facility has been placed on probation, the contractor shall provide written notice to the parents utilizing the facility that the facility has been placed on probation and that the parents have an option to select a different child day care provider or to remain with the facility without risk of subsidy payments being terminated.
11. When making referrals:
 - a. Contractors operating both a direct service program and an Alternative Payment program shall provide at least four referrals, at least one (1) of which shall be a provider over which the contractor has no fiscal or operational control, as well as information on the family's ability to choose a license-exempt provider (*EC 8225*).
 - b. Contractors shall provide information to any person who requests a child care referral of his or her right to view the licensing information of a licensed facility required to be maintained at the facility pursuant to Section 1596.859 of the *Health and Safety Code (HSC)* and to access any public files pertaining to the facility that are

maintained by the State Department of Social Services Community Care Licensing Division. (EC 8226).

X. PROCEDURES FOR PROVIDER PARTICIPATION (EC 8261, 8263 and 8269; 5 CCR 18426)

- A. The contractor shall develop and implement written policies and procedures for provider participation which include the following:
1. 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.
 2. Procedures for ensuring that:
 - i. The provider selected by the parent is licensed or a registered child care provider prior to receiving reimbursement for services;
 - ii. License-Exempt family child care or in-home providers (except grandparents, aunts and uncles) complete a Health and Safety Self-Certification and TrustLine application process within fourteen (14) calendar days.
 3. Acceptance, rejection and termination of provider affiliation with the program;
 4. Grievance procedures for parents and providers in the program.

XI. WRITTEN MATERIALS TO BE GIVEN TO PROVIDERS (EC 8261; 5 CCR 18430 and 18224)

- A. The contractor shall give to all providers the following information:
1. A copy of the contractor's policy statements as specified in 5 CCR 18221 (e), (f), and (h), 18223 and 18226);
 2. A statement prohibiting the provider from engaging in any form of unlawful discrimination;
 3. A schedule for when the reimbursement of services will be made which shall be signed by the provider; and
 4. Instructions on enrollment and recordkeeping requirements;
 5. If a provider speaks a language other than English or is hearing impaired, the information shall be provided either through written materials or by

presentation of an interpreter in the language that the provider understands.

XII. PLAN FOR CONTINUITY OF SERVICE AND EXPENDITURES (*EC 8263; 5 CCR 18430*)

- A. The contractor shall develop and implement a plan to ensure that services are provided to families enrolled in the program continuously throughout the contract period.
- B. To promote the continuity of child care and development services, a family that no longer meets a particular program's income, eligibility or need criteria may have their services continued if the contractor is able to transfer that family's enrollment to another program for which the family continues to be eligible prior to the date of termination of services. The transfer of enrollment may be to another program within the same administrative agency or to another agency that administers state or federally funded child care and development programs.

XIII. PLAN FOR PROVIDER REIMBURSEMENT AND CERTIFICATES (*EC 8261; 5 CCR 18226*)

- A. The contractor shall develop and implement a plan for the timely reimbursement to providers. The plan shall include a description of parent fee collection methods in accordance with the policy required above.
- B. Procedures shall include measures to ensure security of certificates and prevent fraud and/or abuse and provide for timely redemption of certificates by either parents or providers.
- C. Within two (2) business days of receiving license suspension or revocation notification from the Resource and Referral program, the contractor shall terminate payment to the affected facility as of the effective date of the suspension or revocation.

XIV. ELIGIBLE PROVIDERS FOR CalWORKs Stage 3 (*EC 8221.5, 8261, 8263 and 8269; 5 CCR 18227 and 18426*)

- A. For Stage 3 Services, the family has the right to select its child care provider. Licensed child care centers, licensed family homes, and child care exempt from licensure are valid parental choices of care for all families receiving Stage 3 child care.
- B. If child care is funded with state funds, a provider shall not be reimbursed for child care services that include religious instruction or worship.

- C. The child care provider shall meet all of the following requirements:
 - 1. Have a child care license or be exempt from child care licensing requirements, as specified in California *Code of Regulations*, Title 22, sections 101158 and 102358.
 - 2. A license-exempt provider must:
 - a. Be eighteen (18) years old or older;
 - b. Meet or be exempt from Health and Safety Self-Certification requirements; and
 - c. Be an eligible provider, pursuant to 5 *CCR* 18227(c).
- D. A contractor may develop a policy for in-home license-exempt care requiring a minimum number of children to ensure the provider receives a payment equivalent to the minimum wage.
- E. The family's choice for a child care provider must meet the following requirements:
 - 1. The child care provider's hours of operation meet the family's needs for child care;
 - 2. The child care provider ensures that each child's attendance is recorded for payment purposes; and
 - 3. Adult supervision is maintained at all times when children are in attendance.
- F. In addition to any other requirements that may be applicable, to be eligible for reimbursement, a provider must be one of the following:
 - 1. A child care center that is:
 - a. Licensed, pursuant to Chapter 3.35 of Division 2 of the *HSC*, commencing with Section 1596.70; or
 - b. A center operated on tribal or federal lands; or
 - c. A center or program exempt from licensure, pursuant to *HSC* section 1596.792(g), (h), (i), (j), (k), or (l), or section 1596.793, that meets the following requirements for reimbursement from an Alternative Payment program:

- i. Meets minimum attendance and invoice requirements pursuant to *EC* 8221.5; and provides adult supervision for all children during all hours of operation; and
 - ii. Submits a signed statement to the program director certifying that all employees who have contact with children have completed criminal history background examinations comparable to the criminal history background examinations required by Chapter 3.35 of Division 2 of the *HSC*, commencing with section 1596.60.
- 2. A family child care home that is:
 - a. Licensed, pursuant to *HSC*, commencing with section 1596.70; or
 - b. Providing child care services in a home setting on tribal or federal land.
- 3. An individual exempt from licensure, pursuant to *HSC* sections 1596.792(d) or (f), who does not have active tuberculosis and has not been convicted of any crime involving violence against, or abuse or neglect of, children and is:
 - a. Pursuant to *HSC* section 1596.66(a), an aunt, uncle, or grandparent of the child receiving services; or
 - b. A registered TrustLine provider, pursuant to *HSC* section 1596.605; or
 - c. A provisional child care provider pursuant to 5 *CCR* 18078(o) who becomes TrustLine registered within 30 calendar days as provided in 5 *CCR* 18227.1.

XV. PROVISIONAL CHILD CARE PROVIDERS (5 *CCR* 18227.1)

- A. A family may select a provisional child care provider as defined in 5 *CCR* 18078(o) if there is an immediate need for child care.
- B. A family may use a provisional child care provider during a single thirty (30) calendar day period. The first day on which child care services are provided marks the beginning of this thirty (30) day period.
- C. At the conclusion of thirty (30) consecutive calendar days, the provisional child care provider must become TrustLine registered and, if so, may be reimbursed for child care services performed or the parent shall select an eligible provider who can meet the parent's need for care.

XVI. RECEIPT OF NOTIFICATION OF TEMPORARY SUSPENSION OR LICENSE REVOCATION FROM RESOURCE & REFERRAL PROGRAM. NOTIFICATION OF PARENTS AND FACILITIES. (EC 8261, 8212 and 8220; 5 CCR 18224.2)

- A. When an Alternative Payment program is notified by the Resource and Referral program that a licensed child care facility's license has been temporarily suspended or revoked, the Alternative Payment program shall do the following within two (2) business days of receiving the notification:
 - 1. Terminate payment to the licensed child care facility for services provided as of the effective date of the temporary suspension or license revocation. The facility will be reimbursed for services provided prior to that date;
 - 2. Notify the licensed child care facility and the parents funded by the Alternative Payment program and enrolled in the facility in writing that the payment has been terminated and the reason for the termination; and
 - 3. To extent feasible, the Alternative Payment program shall provide the notice to the parent in the primary language of the parent.
- B. The Alternative Payment program shall document action taken pursuant to (1) and (2) above. The Alternative Payment program shall retain the documentation and make it available to the California Department of Education upon request.

XVII. RECEIPT OF NOTIFICATION OF PROBATIONARY STATUS OF PROVIDER OR FACILITY FROM RESOURCE AND REFERRAL PROGRAM. NOTIFICATION OF PARENTS AND FACILITIES (5 CCR 18224.4)

- A. Notification applies to providers already on probation and to providers that are placed on probation.
- B. When an Alternative Payment program is notified by the Resource and Referral program that a facility has been placed on probation, the Alternative Payment program shall provide, within two (2) business days, written notice to the parents funded by the Alternative Payment program enrolled in the facility that the facility has been placed on probation and that the parents have an option to make different child care arrangements or may remain with the facility without risk of subsidy payments being terminated.
- C. To the extent feasible, the Alternative payment program shall provide the notice to the parent in the primary language of the parent.
- D. The Alternative Payment program shall document notification provided pursuant to (B) above. The Alternative Payment program shall retain the documentation

and make it available to the California Department of Education upon request. (EC 8261, 8212; and 5 CCR 18224.4)

XVIII. NOTIFICATION OF INELIGIBLE STATUS OF A LICENSE-EXEMPT PROVIDER (5 CCR 18224.6)

- A. A license-exempt provider shall not be eligible to receive reimbursement for child care and development services when an Alternative Payment program is notified by the California Child Care Resource and Referral (R&R) Network that the provisional child care provider's:
 - 1. TrustLine case has been closed; or
 - 2. TrustLine application has been denied; or
 - 3. TrustLine application has not been approved within the 30-day period pursuant to 5 CCR 18078 (o).

- B. A license-exempt provider shall not continue to receive reimbursement for child care services when an Alternative Payment Program:
 - 1. Is notified by the R&R Network that the provider's TrustLine registration has been revoked; or
 - 2. Receives reliable and documented information that a license-exempt provider has:
 - a. Active or contagious tuberculosis; or
 - b. Been convicted of any crime involving violence against, or abuse or neglect of, children.

- C. Upon receipt of any of the documented information above, the Alternative Payment program shall terminate reimbursement to the provider for services provided as of the effective date on the TrustLine revocation notice or the date on which the Alternative Payment Program received reliable and documented information of active or contagious tuberculosis or of a conviction of any crime involving violence against, or abuse or neglect of, children. The provider will be reimbursed for services provided through the effective day of the TrustLine revocation or the day of receipt of documentation of active or contagious tuberculosis, or a conviction of any crime involving violence against, or abuse or neglect of, children.

- D. Upon receipt of the documented information above, the Alternative Payment Program shall do all of the following:

1. Notify in writing both the provider and the parent of the child receiving services that the payment has been denied or terminated, as applicable, and the reasons for the denial or termination; and
2. Refer the parent to the local Resource and Referral Program for assistance with finding a new provider; and
3. Document the action and retain the documentation and make it available to the CDE upon request. When this action affects the provider of a current CalWORKs cash aided parent, the program shall inform the local county welfare department if services cannot be transferred to another provider without a gap in services.

XIX. RECORDS ON FILE CONCERNING IN-HOME AND OTHER EXEMPT SERVICE PROVIDERS (*CFR* 98.31, *EC* 8261 and 8269; 5 *CCR* 18230 and 18231)

- A. If the contractor's policies allow payment for in-home care, the contractor shall maintain in its file the following records concerning in-home care providers:
 1. A description of the caregiver's qualifications and work experience obtained during a personal interview with the care-giver;
 2. A declaration by the care giver that he or she is in good health;
 3. A signed statement from the parent verifying that the parent has interviewed and approved of the caregiver;
 4. A California driver's license number or other valid and recognized form of identification to verify that the caregiver is at least eighteen (18) years of age.

XX. RECORDS ON FILE CONCERNING SERVICE PROVIDERS (*EC* 8261; 5 *CCR* 18231)

- A. The contractor shall maintain in its files the following records concerning each service provider:
 1. A statement of the service provider's current fees with information regarding the provider's usual and customary services provided for those fees
 2. A statement signed by the provider that the child care and development services being provided do not include religious instruction or worship;
 3. A document that contains the rate and schedule of payment for approved services that is signed by both the service provider and the contractor;

4. A copy of the facility license that shows the authorized capacity of the facility;
5. The name, address and telephone number of the service provider;
6. The age group(s) served by the provider;
7. A declaration by the provider that the parents have unlimited access to their children and providers caring for their children during normal hours of provider operation and whenever the children are in the care of the provider.

XXI. IN-HOME CARE (Fair Labor Standards Act (FLSA) Requirement, Title 29, U.S. Section 206)

- A. Contractors shall ensure that, for license-exempt individuals providing child care and development program services in the home of the child, the sum of the subsidy reimbursement, the family fee, and any additional parent co-payment is equal to or greater than the applicable state or local minimum wage. At the time that a child(ren) is enrolled or at recertification, the contractor shall ensure the minimum wage requirement is met through one (1) of the following:
1. Determine the minimum number of children or combination of children by reimbursement-age category needed for the reimbursement, inclusive of any parent fee, to meet or exceed minimum wage. (Note: The contractor may adopt policies identifying the minimum number of children needed to meet this requirement.)
 2. Divide the estimated reimbursement, inclusive of any parent fee, by the estimated hours to be worked for that period to determine if the quotient meets or exceeds the minimum wage. (Note: Use hours to be worked, not hours per each child for whom care is provided.)
 3. If the parent chooses to be the employer, require the parent to submit copies of employer documents filed with the appropriate federal and state agencies, copies of check stubs to the provider, and copies of any required withholding tax payments for an amount that in conjunction with the reimbursement, inclusive of any parent fee, equals or exceeds minimum wage. (Note: In this case, reimbursement should be in the form of a two-party check to both the parent and the provider.)

XXII. INFORMATION TO SHARE WITH THE PARENTS

Effective on January 1, 2007, each child care facility shall permanently post, in a prominent location, information about the registered sex offender database that is

available on the Megan's Law Web site, <http://www.meganslaw.ca.gov>, and give families one of the two licensing forms (LIC 995 or 995A, Notification of Parents' Rights) provided by the State Department of Social Services.

**CalWORKs Stage 3
QUALITY REQUIREMENTS
Fiscal Year 2016–2017**

I. PROGRAM PHILOSOPHY, GOALS AND OBJECTIVES (*EC 8261; 5 CCR 18432 and 18271*)

Each contractor shall have a written philosophical statement and goals and objectives that support that philosophy. The governing body of each contractor shall approve the program philosophy, goals and objectives. The goals and objectives shall address the requirements contained in sections II through IV below and shall reflect the cultural and linguistic characteristics of the families served by the contractor.

II. STAFF DEVELOPMENT PROGRAM (*EC 8261; 5 CCR 18432 and 18274*)

A. Each contractor shall develop and implement a staff development program that includes the following:

1. Identification of training needs of staff or service providers;
2. Written job descriptions;
3. An orientation plan for new employees;
4. An annual written performance evaluation procedure unless a different frequency of performance evaluations is specified in a contractor's collective bargaining agreement with their employees;
5. Staff development opportunities that include topics related to the functions specified in each employee's job descriptions and those training needs identified by the contractor pursuant to Section II.A above; and
6. An internal communication system that provides each staff member with the information necessary to carry out his or her assigned duties.

III. COMMUNITY INVOLVEMENT (*EC 8261; 5 CCR 18432 and 18277*)

Each contractor shall solicit support from the community including the solicitation for donated goods and services. Each contractor shall provide information to the

community regarding the services available. Contractors may utilize media or other forms of communication in the community.

IV. PROGRAM SELF-EVALUATION PROCESS (*EC 8261; 5 CCR 18270.5 and 18279*)

- A. Each contractor shall develop and implement an annual plan for its program self-evaluation process. The annual plan shall include the following:
 - 1. A self-evaluation based on the use of the FPM/CMR;
 - 2. An assessment of the program by staff and board members as evidenced by written documentation;
 - 3. A written list of tasks needed to modify the program in order to address all areas that need improvement, as indicated in the analysis. (*5 CCR 18279(b)(4)*);
 - 4. Procedures for the ongoing monitoring of the program to assure that areas of the program that are satisfactory continue to meet standards, and areas requiring modification (*5 CCR 18279(b) (5)*) are addressed in a timely and effective manner.
- B. The contractor shall use the Agency Annual Report (*5 CCR 18270.5(a)*) to submit a summary of the findings of the program self-evaluation to the CDE by June 1 of each year.
- C. The contractor shall modify its program to address any areas identified during the self-evaluation as needing improvement.