



Fiscal Year 2019-20 Initial Payments

Dear Executive Directors of Child Care and Development Programs:

The Child Development and Nutrition Fiscal Services (CDNFS) Office is providing you with information about FY 2019-20 initial payment timelines.

Child development contracts must be signed and returned to the CDE Contracts Office prior to initial apportionments being authorized by CDNFS. The CDNFS Office authorizes payment for all executed contracts on July 1, provided that the budget has been enacted.

In previous years, contractors who returned their original contracts prior to the final budget enactment typically received initial apportionments in the second or third week of July. Due to the implementation of a statewide accounting system (FI\$Cal) this year, additional time is required by the State Controller's Office (SCO) to set up child development budgets, causing up to a ten-day delay in processing initial apportionments. Initial 2019-20 apportionments will, therefore, be authorized mid-July and are expected to be received by contractors in the last week of July.

As a standard practice, the CDE recommends contractors have three months of operating capital, through cash or a line of credit, to operate their program during the contract period prior to receiving their first apportionments or in the event apportionments are withheld, delayed, or lost in the mail. The CDE will continue to work diligently with the SCO to process payments as quickly as possible.

If you have any questions regarding this correspondence, please contact your assigned CDNFS fiscal analyst. The Fiscal Analyst Directory can be found at: <https://www.cde.ca.gov/fg/aa/cd/faad.asp>.

Sincerely,

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