

California Department of Education  
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# **CALIFORNIA STATE PRESCHOOL**

## **CSPP**

**FUNDING TERMS AND CONDITIONS  
AND  
PROGRAM REQUIREMENTS  
FOR**

# **CHILD DEVELOPMENT PROGRAMS**

## **FISCAL YEAR 2014-2015**

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**CALIFORNIA STATE PRESCHOOL PROGRAMS**  
**FUNDING TERMS AND CONDITIONS**  
**Fiscal Year 2014–2015**

These are the Funding Terms and Conditions (FT&C) for fiscal year 2014–2015. Each contractor is required, as a condition of its contract with the California Department of Education (CDE), Early Education and Support Division (EESD), formerly known as the Child Development Division (CDD) and by this reference this change will be incorporated herein, to adhere to these FT&C, and any other requirements incorporated into the contract, in addition to all other applicable laws and regulations. Any variance from this contract, the FT&C, requirements, laws, or regulations could be considered a noncompliance issue and subject the contractor to possible termination of the contract.

Any change of these FT&C or requirements that are binding on the State and the contractor must be in writing, in advance, from the CDE in the form of a formal contract amendment. Any interpretation of the FT&C or requirements must be in writing from the CDE and signed by the director of the EESD (formerly known as CDD).

Contractors may adopt any reasonable policies relating to the program that are not in conflict with law, regulations, or the terms of this contract. Those potentially affected shall be duly notified and due process, if applicable, shall be assured.

California *Education Code (EC)* Section 8385(f) requires all child care contracts entered into by the State Department of Education for means-tested child care programs, including, but not limited to, Alternative Payment, General Child Care and Child Care for Recipients of the CalWORKs Programs (described in *EC* 8220, *EC* 8240 and *EC* 8350) to implement best practices identified pursuant to subdivision (c) which states, "In developing its recommendations, the Department shall place priority on prevention of fraud and overpayments, and shall consider existing best practices for doing so." The CalWORKs and Alternative Payment Best Practices are posted on the CDE Web site at <http://www.cde.ca.gov/sp/cd/ci/>.

Child Care and Development Contractors are funded with state general funds, federal funds, or a combination of funds. The funding amounts are listed on the contract encumbrance page.

This contract may be fully or partially funded through a grant from the federal Department of Health and Human Services and subject to *Code of Federal Regulations (CFR)* 45, Parts 98 and 99, the Child Care and Development Block Grant Act of 1990, as amended, and Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, 42 USC 9858. If the Catalogue of Federal Domestic Assistance (CFDA) number is 93596 (shown as FC# in the funding block), the fund title is Child Care Mandatory and Matching Funds of the Child Care and Development Fund. If the CFDA number is 93575, the fund title is Child Care and Development Block Grant subject to the Child Care and Development Block Grant Act of 1990, the Omnibus Budget Reconciliation Act of 1990, Section 5082, *Public Law* 101-508, as amended, Section 658J and 658S, and *Public Law* 102-586.

I. DEFINITIONS (As applicable to each specific program type)

"Actual and allowable net costs" means the costs which may be reimbursed under a particular child development contract after disallowed costs and restricted income have been subtracted from total expenditures.

"Additional funds" means award of new contracts or expanded contracts that increase

the contractor's level of administrative responsibility. Additional funds do not include cost of living adjustments, rate increases and one-time-only supplemental funds or Alternative Payment program contingency funds.

"Adjusted child days of enrollment" means child days of enrollment after adjustment factors specified in *EC* Section 8265.5 and part-day adjustment factors specified in *EC* Section 8266.1 have been applied.

"Adjusted monthly income" means total countable income as defined in subdivision (q) below, minus verified child support payments paid by the parent whose child is receiving child development services, excluding the non-countable income listed below:

1. Earnings of a child under age 18 years;
2. Loans;
3. Grants or scholarships to students for educational purposes other than any balance available for living costs;
4. Food stamps or other food assistance;
5. Earned Income Tax Credit or tax refund;
6. GI Bill entitlements, hardship duty pay, hazardous duty pay, hostile fire pay, or imminent danger pay;
7. Adoption assistance payments received pursuant to *Welfare and Institutions Code* section 16115 et seq.;
8. Non-cash assistance or gifts;
9. All income of any individual counted in the family size who is collecting federal Supplemental Security Income (SSI) or State Supplemental Program (SSP) benefits;
10. Insurance or court settlements including pain and suffering and excluding lost wages and punitive damages;
11. Reimbursements for work-required expenses such as uniforms, mileage, or per diem expenses for food and lodging;
12. Business expenses for self-employed family members;
13. When there is no cash value to the employee, the portion of medical and/or dental insurance documented as paid by the employer and included in gross pay; and
14. Disaster relief grants or payments, except any portion for rental assistance or unemployment.

"Administrative costs" means costs incurred for administrative activities where neither the family, the child nor, if applicable, family child care homes service providers directly benefit from the activity.

"Adult" means a person who is at least eighteen (18) years of age.

"Agency Annual Report" is a form issued by the Department for use by contractors to submit a summary of findings of the program self-evaluation.

"Agricultural work" or "agricultural labor" means all service performed:

1. on a farm, in the employ of any person, in connection with cultivating the soil, or in

connection with the production or processing of any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife;

2. in the employ of the operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane;
3. in the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, canning, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity.

The definition of agricultural work shall not be deemed to be applicable with respect to service performed in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or on a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer. As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

"Alternative Payment programs" means contracts designated as Alternative Payment. Contractors operating Alternative Payment programs are not precluded from contracting for other program types as specified in *EC* Section 8208(i).

"Approved indirect cost plan" means that the annual agency audit does not include any management findings regarding the development or the application of the plan.

"Approved work activity" is an activity contained in the parent's welfare-to-work plan as described and further defined in *Welfare and Institutions Code* Section 11322.6 et seq. and may include:

1. unsubsidized employment;
2. subsidized private sector employment;
3. subsidized public sector employment;
4. work experience;
5. on-the-job training;
6. grant-based on-the-job training;
7. supported work or transitional employment;
8. work-study;
9. self-employment;
10. community or vocational education and training;
11. job search and job readiness assistance;
12. education directly related to employment;
13. satisfactory progress in secondary school or in a course of study leading to a GED;
14. mental health, substance abuse and domestic violence services; or









































































































































































