



CALIFORNIA DEPARTMENT OF SOCIAL SERVICES CHILD CARE AND DEVELOPMENT TRANSITION PLAN

Transfer of Child Care and Development Programs from the
California Department of Education to the California Department of
Social Services

PREPARED FOR
California Health & Human Services Agency
Budget and Policy Committees of the California
Legislature
California Department of Finance
Early Childhood Policy Council

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CDSS

CALIFORNIA
DEPARTMENT OF
SOCIAL SERVICES

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EXECUTIVE SUMMARY

The Early Childhood Development Act of 2020 (Senate Bill (SB) 98, Chapter 24, Statutes of 2020) authorized the transfer of child care and development programs currently administered by the California Department of Education (CDE) to the California Department of Social Services (CDSS) effective July 1, 2021. In accordance with the Early Childhood Development Act of 2020, CDSS is committed to supporting a more integrated and coordinated system of care to achieve the goal of promoting a high-quality, affordable system designed to comprehensively and effectively serve children, families, and the child care and development workforce. CDSS is working closely with CDE to implement the many complex aspects of transitioning several childcare and development programs and systems from CDE to CDSS in ways that will allow for continuity of services, and to design systems poised to further the State's vision of holistically serving children and their families simultaneously. In addition to highlighting critical milestones and coordination required to achieve these goals, this report, herein referred to as the Child Care Transition Plan, provides an update on the substantial progress made toward seamlessly transitioning the child care programs, responsibilities, services, and systems from CDE to CDSS.

This Child Care Transition Plan is organized into eight sections based on goals and administrative functions required to provide for a seamless transition of the child care and development programs identified for the transfer. Within each section is a description of the overarching goals for the transition, immediate next steps, and details regarding stakeholder engagement. The sections include:

1. Workforce and Logistics
2. Administrative Transition – Continuity of Operations
3. Programmatic Transition – Continuity of Services and Partnerships
4. Continuous Planning and Engagement
5. Program Integration and Enhancements
6. Child and Adult Care Food Program – Continuity of Operations, Services, and Partnerships
7. Alignment with Recommendations from the [Master Plan for Early Learning and Care: Making California For All Kids \(Master Plan\)](#)
8. Budget/Fiscal Outlook

Each subsection specifies how CDSS, in partnership with CDE and stakeholders, plans to meet the intent of the Early Childhood Development Act of 2020. Additionally, CDE is committed to a seamless and efficient transition that best supports children, families, caregivers, and the child care and development workforce.

The partnership between CDSS and CDE has leveraged much progress with the transition of staff and programs, and in establishing priorities to mitigate disruption to services, operations and payments to contractors effective July 1, 2021. For complete success of a transition of this magnitude CDSS will maintain ongoing collaboration with CDE and internally across divisions to finalize system development, reporting requirements and additional administrative processes. While some of these details are still under discussion, and additional details will be available after publication of this report, these key details will be in place and communicated to transferring staff, stakeholders and the child care and development workforce prior to the

transition date. CDSS will communicate and engage with stakeholders and the workforce to collaborate and obtain input on proposed changes by CDSS. CDSS is committed to full transparency and will provide updates and details in quarterly reports to the Legislature, on our [CDSS Transition website](#) and through our stakeholder engagement process on transition progress, activities and milestones to support continuity of services, operations and partnerships.

INTRODUCTION

Overview

The objectives of the Early Childhood and Development Act of 2020 include strengthening a high-quality and affordable child care and development system; integration of child care with other CDSS programs and services that serve the child and the family; addressing social determinants of health and adverse childhood experiences which significantly impact long-term outcomes for children; and providing vital supports to the child care and development workforce and programs for children to have access to equitable and stable child care and development opportunities. The transition of programs will support a child care and development delivery system that addresses these components and is broadly and transparently available to families.

The transition will also reduce administrative and other barriers to program access so that programs and providers can focus on positive child and family outcomes and help meet the goals of the Master Plan, while creating and fostering connections through coordination with CDE on preschool, TK and K-12 education.

The following child care and development services and programs will transfer to CDSS:

- California Alternative Payment Programs (CAPP)
- California Migrant Alternative Payment Programs (CMAP)
- Stages Two and Three of the California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Programs
- General Child Care and Development Programs (CCTR)
- California Migrant Child Care and Development Programs (CMIG)
- Child Care and Development Services for Children with Severe Disabilities
- The Child and Adult Care Food Program
- Child Care and Development Facilities Capital Outlay
- The Early Learning and Care Workforce Development Grants Program
- The California Head Start State Collaboration Office
- The Early Head Start-Child Care Partnerships (EHS-CCP) Grant from the United States Department of Health and Human Services¹
- Resource and Referral Agencies
- Local Child Care and Development Planning Councils
- The California Child Care Initiative Project
- Other Child Care Quality Improvement Projects
- The Child Development Management Information System and other related data systems as they pertain to the programs, services, and systems above.

These services and programs will join the child care and development and nutrition programs currently administered by CDSS – including the Stage One CalWORKs Child Care Program, the Emergency Child Care Bridge Program for Foster Children (Bridge Program), Child Care Licensing (CCL), as well as CalFresh and Nutrition programs.

¹This grant will continue to be administered by CDE through an MOU between CDE and CDSS.

Long-term Objectives

Informed by extensive stakeholder input, CDSS and its partners are ensuring that the long-term programmatic and policy-driven goals and objectives of this transition build on the concept of an integrated child care and development system, as described above, with equity, justice, and a whole-child/whole-family approach at the center.

Recommendations for system improvements set forth in the Master Plan and the California [Assembly Blue Ribbon Commission on Early Childhood Education](#) Final Report (BRC Report), the prior work of CDE, and additional planning efforts will also help to guide these objectives. While the immediate priority of the transition is to foster the continuity of services for children, families, and the workforce, the transition will also provide opportunities to create an integrated administration and system for child care and development services designed to more responsively meet the needs of children, their families, and their caregivers. These opportunities include, but are not limited to:

- Streamlining early childhood governance, administration, and eligibility requirements, reducing administrative burdens and barriers on the child care and development system's participants and workforce;
- Simplifying funding streams and systems to better meet family, children, and workforce needs;
- Integrating and using data to streamline and improve the experience of families and the workforce;
- Maximizing accessibility, particularly for families with the greatest needs;
- Providing families with information necessary to make informed choices;
- Further recognizing cultural competency as a feature of quality and aligning quality infrastructures with equity and anti-racist, outcome-driven standards;
- Creating a comprehensive data and governance infrastructure across departments that can inform policy and funding decisions with a focus on quality, equity, and a whole-child/whole-family approach to services;
- Using data to examine bias and the root causes of inequities along with the factors that create barriers for children and families;
- Exploring the development of shared services networks that support the child care and development workforce;
- Supporting the expansion of facilities in underserved communities to promote equitable access;
- Integrating child care and development services to provide timely and accurate information to parents and caregivers, to make it easier for programs to access and share information, as well as to coordinate services and identify gaps in resources; and
- Implementing timely, data-driven policies, practices, and resource allocation to support better outcomes for children and families of all races, ethnicities, incomes, spoken languages and communities.

Stakeholder Engagement

Starting in July 2020, CDSS and CDE began engaging in regular planning activities to design a seamless and effective transition of child care and development programs to CDSS. At the forefront of transition planning activities has been engagement with internal and external CDE and CDSS stakeholders to garner feedback and suggestions for continued services and partnerships that further California's commitment to a comprehensive, quality, equitable, and affordable child care and development system that meets the needs of children, families, and the workforce.

CDSS is committed to soliciting and incorporating feedback from stakeholders to identify system strengths and areas for improvement and to effectively implement the child care transfer both immediately and in the future. In addition to collaboration with CDE, key stakeholders and partners consulted throughout the transfer process include, but are not limited to, parents and caregivers, the child care and development workforce, program administrators, the Child Care Providers United union, County Welfare Departments, Alternative Payment Programs (APPs), Resource and Referral (R&R) agencies, associations, advocates, stakeholders within the Transitional Kindergarten-12th grade (TK-12) system, community colleges, Institutions of Higher Education, Head Start and Early Head Start programs, Tribes, the California Department of Developmental Services and other state departments within the California Health and Human Services Agency, First 5 California (F5CA), legislative staff, the Early Childhood Policy Council, and others.

Opportunities for transparency and feedback have included the following:

- A dedicated public webpage, launched in August 2020, with feedback forms and surveys in English and Spanish, information on engagement opportunities, and updates on transition efforts underway. More than 100 individuals have provided feedback via the live survey that will remain open throughout the transition process.
- Quarterly stakeholder meetings providing updates and inviting input. To date, CDSS has held three quarterly meetings with over 1,000 participants.
- Topically specific, two-hour listening sessions hosted by CDSS on topics based on stakeholder-identified priorities, including:
 - Contracts;
 - Issues impacting rural areas;
 - Equity; and
 - Whole-child/whole-family approaches to meeting child and family needs.

CDSS collaborated with key stakeholders to develop presentation materials, poll questions and surveys in advance of each topical listening session. Each session has attracted between 160 and 1,055 attendees and included a stakeholder panel, a live question-and-answer segment, interactive polling, and follow-up surveys. The qualitative data from the polling, survey questions, written comments and verbal responses received thus far have been analyzed, resulting in summaries of key findings to further inform the transition. Additional topical listening sessions will be held throughout the transition to facilitate responsiveness to stakeholder needs.

Coordination between CDE and CDSS

A close working partnership between CDSS and CDE has been critical to the success of planning and preparing to operationalize a seamless transfer of programs and staff from CDE to CDSS. Leadership from both CDE and CDSS have maintained open and regular communication to establish priorities, share information, and troubleshoot complexities encountered during the process. Program leads across both departments are working closely to create detailed transition plans for the programs and operations moving to CDSS; this close partnership and collaboration will continue throughout the transition. Examples of topic areas include:

- Facilities/space planning for transferring staff;
- Information Technology (IT) system supports for staff;
- IT supports for current service providers/contractors to support the transition process and minimize disruptions to timely payments;
- Increasing flexibility for program administrators in meeting required deliverables for data reporting;
- Collaboration on program policy to be upheld through state plan amendments;
- Promulgation of regulatory requirements and/or amendments;
- Contracts, including requirements, funding terms, renewal timelines, deliverables, and scopes of work;
- Fiscal policy development;
- Human resources operations;
- Labor relations;
- Facilities and licensing; and
- Auditing, monitoring, and program integrity.

CDE is providing CDSS with detailed walkthroughs of transferring programs and related functions on a regular basis to address operations, technological systems, key program resources and supports, contractual and regulatory guidelines, as well as staffing structures needed to maintain daily operations. Since August 2020, CDSS and CDE Executive Staff have also hosted monthly meetings with all transferring staff to engage them in the transition planning process. During these meetings CDSS and CDE provide updates, gather feedback and considerations, and respond to staff questions and concerns.

Further, after the full list of transferring staff was shared with CDSS in November 2020, a survey was distributed to staff to anonymously express their hopes and concerns or ask questions about the transition. The majority of respondents expressed feelings of neutrality (60%) or positivity (15%) about the transition. The remaining 25% expressed unhappiness. A primary issue flagged by CDE staff who expressed unhappiness is concern that child care programs will lose their link to education as a result of the transition. These types of feedback and transparency have been valuable to shaping CDSS' employee engagement plans and providing opportunities for transferring staff to understand the mission and core values of CDSS. The survey and employee engagement process have helped to create a dialogue and provide a method for addressing the needs of transferring staff.

Conclusion

CDSS will continue to prioritize an equitable and whole-child/whole-family approach to the implementation of a quality, affordable child care and development system designed to comprehensively and effectively serve California's children and families. To support these goals, partnership and engagement with a variety of stakeholders will continue to be a fundamental aspect of transition planning and implementation that extends well beyond July 2021. This includes ongoing collaboration and coordination with CDE as it continues to administer the California State Preschool Program (CSPP) and as both departments continue strengthening the integration of child care and development programs with the TK-12 public education system. Updates will be provided in quarterly reports to the Legislature, Department of Finance, and Early Childhood Policy Council through December 2024.

1. WORKFORCE AND LOGISTICS

CDSS Deputy Director Appointment

The Governor announced the appointment of Dr. Maria Guadalupe “Lupe” Jaime- Mileham as the Deputy Director of the newly formed Child Care and Development Division at CDSS on January 22, 2021. Dr. Jaime-Mileham previously served as Senior Director for Early Care and Education in the Office of the Fresno County Superintendent of Schools since 2014. She was Deputy Director of the Central Valley Children’s Services Network from 2009 to 2014, Adjunct Infant Toddler Instructor for the West Education Partners for Quality Infant and Toddler Caregiving from 2009 to 2014, and Subsidized Manager for the Central Valley Children’s Services Network from 2001 to 2009. She is a member of the Early Childhood Policy Council, National Association for the Education of Young Children, and the County Offices of Education Program Administrators of Child Development. Dr. Jaime-Mileham earned a Doctor of Education degree from California State University, Fresno and a Master of Education degree from National University. Dr. Jaime-Mileham started her role as Deputy Director at CDSS on February 16, 2021. This position is subject to confirmation by the Senate.

Transferring Staff and Additional Workforce Needs

CDSS has worked carefully to identify the optimal organizational structure for the transferring staff within the Department. Approximately 69 transferring positions will be located in the new CDSS Child Care and Development Division. Additional positions will be placed in other divisions within the Department, co-located with existing core functions to seamlessly continue operations and oversight of the transferring workload, including approximately 36 positions to the Administration Division, 68 positions for the Child and Adult Care Food Program (CACFP) to the Family Engagement and Empowerment Division, 1.5 positions to the Legal Division, 8.7 positions to the Information Systems Division, and 2 positions to the Research, Automation, and Data Division. These numbers are subject to change as the transition progresses.

In furtherance of planning for these changes, the following steps have occurred:

- A total of 185.7 Full-Time Equivalent (FTE) positions have been identified to transfer to CDSS effective July 1, 2021. The 185.7 FTE includes vacant positions that CDE will transfer to CDSS for recruitment to support the ongoing child care and development work, which CDSS is working to fill before July 1.
- On October 8, 2020, CDE Labor Relations provided notices to union organizations representing CDE staff transferring to CDSS, identifying July 1, 2021, as the date of implementation.
- Transferring employees also received notices.
- CDE and CDSS management conducted joint virtual monthly meetings to address impacted employees’ and union representatives’ questions and concerns.
- CDE and CDSS Labor Relations are requesting joint delegated authority from the California Department of Human Resources (CalHR) to begin scheduling and conducting impact negotiations with union organizations, consistent with the established meet and confer process. CDSS Labor Relations will participate in the meet and confer meetings and represent CDSS during this process.

CDSS has completed a preliminary assessment of staffing requirements to determine the impact of this transition to existing CDSS divisions as well, including the Executive, Administrative, Community Care Licensing, Family Engagement and Empowerment, Information Systems, Legal, and Research, Automation and Data Divisions. Through this process, CDSS has identified where additional workforce is needed to support new workload and continuity of service delivery for families, children, and the child care and development workforce. A gap analysis is underway to identify the potential need for resulting adjustments or resources to execute the transfer and continue operations.

CDE is also in the process of assessing gaps in workforce to address its ongoing responsibilities after the transition. The Administration anticipates having updates on these processes this Spring to inform State Budget development.

Workforce/Staffing Support

CDSS’ Management and Staff Services Branch (MSSB), in collaboration with CDSS’ Human Resource Services Branch (HRSB) and Information Systems Division (ISD), is leading the workforce transition of onboarding staff transferring from CDE to CDSS. MSSB, HRSB and ISD provide a variety of administrative and business services and supports to CDSS employees carrying out day-to-day operations. These teams will ensure that administrative office space and facility needs are met to enable the workforce to seamlessly deliver and provide continuity of services for families, children, and providers without interruption.

The classifications of positions moving to CDSS (* classifications transferring from CDE that are new to CDSS) include:

Classification Title	Full Time Equivalency
Associate Governmental Program Analyst	46.5
Associate Management Auditor	10
Attorney IV	0.5
Bilingual/Migrant Education Consultant *	1
C.E.A.	2
Child Development Consultant *	24
Child Nutrition Assistant *	3
Child Nutrition Consultant*	19
Child Nutrition Supervisor I *	3
Child Nutrition Supervisor II *	1
Education Programs Consultant *	4
Education Research And Evaluation Consultant *	2
Education Administrator I *	3
Executive Secretary I	1
Information Technology Specialist I	8.3
Information Technology Supervisor II	0.4
Nutrition Education Administrator *	3
Nutrition Education Consultant *	3
Office Technician (Typing)	11
Research Data Manager	1

Senior Management Auditor	2
Staff Services Management Auditor	4
Staff Services Analyst (General)	20
Staff Services Manager I	9
Staff Services Manager II (Supervisory)	3
Staff Services Manager III	1
TOTAL	185.7

Ongoing Workforce Cost Estimates for Administering Child Care Programs

Based on the positions transferring and workload analysis to date, the annual cost of the staff transitioning from CDE to CDSS is outlined in the table below. As described above, additional analysis has been done to determine the full cost of administering child care and development programs. Further information will be publicly available on the Department of Finance’s website at www.dof.ca.gov.

Personnel Services	FY 2021-2022
Total Positions – Permanent	185.7
Total Salaries and Wages	\$12,497,000
Total Benefits	\$6,534,000
Total Operating Expenses and Equipment	\$12,672,000
Total Budget for Transitioning Staff	\$31,703,000

The Governor’s budget for 2021-22 reflects the transfer of \$31.7 million (\$30.7 million federal funds and \$0.9 million General Fund) from CDE to CDSS and 185.7 FTE positions to support the transition of Child Care and Development Programs, including CACFP. Operating costs above the amount being transferred in staff costs are being determined as CDSS operationalizes how the programs will be implemented in the transition. The Administration anticipates having updates on these costs this Spring to inform State Budget development.

2. ADMINISTRATIVE TRANSITION – CONTINUITY OF OPERATIONS

Administrative Transition Timeline and Priorities

CDSS and CDE are working closely together to ensure that there is no disruption to the continuity of operations and that the transfer does not compromise service delivery for families, children, contractors, and the child care and development workforce. CDSS will also prioritize maintaining relationships with existing service providers and contractors. CDSS' engagement with stakeholders is also intended to actively identify and implement strategies to improve service delivery. CDSS is also leveraging funding provided in the current year to expedite the hiring process for some key positions throughout the Department that are needed for planning and operations purposes to facilitate a smooth transfer.

Given the immediate priority of the continuity of operations, particularly related to services for families and payments and support for the workforce, CDSS and CDE are working closely together to identify schedules for timely and successful execution of contracts, payments, reporting, and related requirements, as described further below. Because the state fiscal year, federal fiscal year, and grant cycles differ, the Departments are also working together to determine the most efficient processes to complete budget or grant cycles with no disruption. Short-term Interagency Agreements (IAA) may be necessary for CDE to continue some functions into the 2021-2022 State Fiscal Year to ensure no gaps in service.

Ongoing engagement with a diverse set of stakeholders is helping to identify needed contract amendments, policy updates to enhance service delivery methods and IT systems, barriers to access and strategies for their removal, identification of inequities and mechanisms for correction, and strategies to align with the goals of the Master Plan, while upholding statutory mandates (state and federal) and ensuring that provider flexibilities are not restricted across multiple contracts. Given the work to be completed prior to the transfer, ongoing program and policy enhancements must be phased in overtime as CDSS prioritizes continuity of operations and develops in-depth timelines for each of these deliverables.

Administrative Transition Activities

CDE has identified and provided to CDSS the public-facing child care and development documents currently on the CDE website that must be part of the transfer, including an inventory of over 2,800 URLs and over 230 surveys and trainings. This includes forms, current regulations and regulation packages, letters and notices, guidance to contractors, online training, policy guidance, and program updates. The timeline of activities and priorities is under development. The main CDSS website containing the resulting information will be live by July 1, 2021, and additional updates will be completed in phases. Documents and forms will be translated and put into accessible formats for use, review and implementation by stakeholders. CDSS plans to hold a walkthrough of trainings, forms, changes, and website navigation for stakeholders before July.

Office of Audit Services

The CDSS Office of Audit Services (OAS) and the CDE Audits and Investigations Division (A&I) have a similar nature of operations. As a result of this similarity and of detailed planning, CDSS and CDE anticipate a seamless transition of audit responsibilities related to the federal

child development programs and the CACFP. Specifically, both OAS and A&I perform audit work in accordance with Generally Accepted Government Auditing Standards, the International Standards for the Professional Practice of Internal Auditors, California Government Code (GC) sections 13400, 13407, and 13885-13888, as well as Title 2, Code of Federal Regulations, Part 200, Uniform Guidance requirements. Additionally, experienced CDE audit staff that currently perform the audit and audit-related services for these programs will transition to the OAS on July 1, 2021. To facilitate the transition of the audit and audit-related responsibilities, OAS and A&I are jointly preparing to begin performing the following post-transition:

Data Collection and Tracking

- CDSS will utilize a Microsoft Access database to track the receipt and reviews of the annual financial and compliance audits conducted by independent certified public accountants. CDE's system will be integrated with CDSS' tracking and data collection system.

Financial and Compliance Audit Report Reviews

- Train OAS management on performing audit report reviews to ensure each agency meets its mandatory report review requirements while maximizing efficiency.
- Train OAS on the annual process to identify the number of agencies required to submit financial and compliance audit reports.
- Provide auditing guidance and audit form updates for use by the independent CPAs.

External Audits

- Train the OAS management on program statutes and regulatory guidance, audit approaches and resources. Because A&I and OAS already perform similar audit processes, and A&I staff experienced in auditing the transferring programs will move to the OAS, the knowledge base already exists to readily continue the external audit work.
- CDSS is in the process of procuring TeamMate, which is a data-driven audit solution to manage the various aspects of the audit process. In the interim, OAS will utilize its existing system, which consists of Microsoft applications (Access, Word, Excel, Visio), templates, spreadsheets, etc., to execute, document and track the audit workflow from planning to report writing.

External Communications

- Notification to CDE providers and contractors of the transition and guidance by May 1, 2021, with periodic reminder notifications in multiple modalities leading to the transition.

In summary, A&I and OAS will collaborate to foster an uninterrupted transition of audit and audit-related responsibilities and minimize duplication of efforts, while allowing each organization to meet its required audit oversight responsibilities.

Contracts and Fiscal Operations

Beginning July 1, 2021, CDSS will assume CDE agreements for programs transferring to CDSS and will be responsible for payment distributions associated with contracts as appropriated in the new fiscal year Budget Act. CDSS and CDE are currently working to review existing contracts, revise the language on face sheets, and update data systems so that CDE can execute those contracts on behalf of CDSS in preparation for the transfer. By establishing new and existing contracts within Financial Information System of California (FI\$Cal), CDSS can view the total lifecycle of contracts and provide a clear tracking of expenditures and payments in one location. This new feature will reduce possible errors that can occur when manually transferring contract details to FI\$Cal and streamline the overall process. Regarding accrual payments associated with the prior fiscal year (2020-2021), CDE will continue to make those payments per the prior year appropriation. CDSS and CDE will address staffing or resource issues to continue payments, and any close-out activities, through the previously mentioned short-term IAAs.

Contracts approved by CDE through the Continued Funding Application (CFA) process for fiscal year 2021-22 were sent to the CDE contracting office March 1, 2021 with an effective date of July 1, 2021 as the first day of continued services. CDE and CDSS are finalizing an agreement to allow CDE to complete execution of pending 2021-22 agreements under their existing process and timeline. Consistent with existing CDE practice, funding for July 1, 2021 agreements will be issued by CDSS once funding becomes available for disbursement after finalization and enactment of the 2021-22 Budget Act.

The CDSS CFA process and schedule for fiscal year 2022-23 is under discussion. CDSS will engage with contractors and release written instructions on the CFA process for fiscal year 2022-23 by the second quarter of 2022 to share any changes to the CFA submission process, requirements and schedule.

CDSS is collaborating with CDE to determine by April 1, 2021, the feasibility of utilizing the existing CDE application platform [Child Development Provider Accounting and Reporting Information System (CPARIS)/Provider Reporting Information System (PARIS)] during the transition process and on an ongoing basis to minimize disruptions and support these functions. By utilizing the current provider application platform, CDSS can leverage existing understanding of the process, while simultaneously identifying any potential overlap of workload. Once identified, CDSS will work with CDE on appropriate workflow updates to minimize any administrative overlap or duplication.

There are current flexibilities that exist for child care and development programs that maintain General Child Care and State Preschool contracts with CDE. As such, CDSS, CDE and the DOF are actively engaging to seek a process to maintain these flexibilities without disruption. Discussions are ongoing to identify and implement a solution by July 1, 2021, for these flexibilities between the departments as well as identify any additional processes or policies needed.

CDSS is developing the business process for new agreements and exploring the option of multi-year provider agreements, which will require approval from the Office of Legal Services at

the Department of General Services (DGS). The CDE has also explored multi-year contracts and is working with CDSS on finding solutions to barriers that have prevented implementation and ways to maintain federal program integrity. CDSS will continue to collaborate with CDE to gain a thorough understanding of CDE's current process for new agreements and how to translate the review and approval process to CDSS' FISCAL landscape.

Data and Technology Systems

CDSS will prioritize the processes and data systems necessary to ensure no disruption of payment to providers and timely/accurate collection of data. Data reporting will be prioritized based on this same principle and additionally by mandated authority so that the highest priority reports are integrated first.

In keeping with this priority, CDSS will follow both short- and long-term implementation plans for utilization of technology systems and data platforms. In the short-term, before the transfer of programs occurs July 1, 2021, CDSS plans to address the highest priority data and system needs, which include data and functionality necessary for processing contractor payments and mandated federal reporting. CDSS will support a strategy that avoids disruption to data collection and maintains the integrity of program information upon the transfer. During this short-term implementation period, CDSS will continue to evaluate current systems and make decisions with an eye toward solutions that can streamline program operations and improve upon existing systems.

CDSS Fiscal, Accounting, Information Systems, as well as programmatic and technical teams have been actively working with CDE to understand the technology systems and data platforms supporting the transitioning programs and the current state of the systems that will be affected by the transition. CDSS and CDE are working to identify any overlap dependencies between the existing IT systems, and map out operation, support, and usage of each system. This includes system data inputs, data outputs (if any), external and external system interfaces/integrations, reporting, users, and permissions. CDE and CDSS will continue to work through non-specific application IT resources, including email, SharePoint, network storage, physical devices, and webpages.

The transition will impact multiple data systems involved in maintaining and supporting programs beyond the continuation of payments to child care providers and nutrition program sponsors. CDE has identified the various systems and ancillary data elements supporting the administration of programs, as well as the inventory of affected data and systems, scope of usage, the technology utilized, system URLs (where applicable), and/or identification as a desktop application. This includes identifying which systems are fiscal-based and require fiscal-based interfaces (FISCAL and the State Controller's Office).

An initial exploration of the systems supporting the transitioning programs has shown that most are highly integrated with systems that must remain at CDE, creating an inability to transfer them to CDSS. These systems also support programs that will remain under CDE's administration after the transfer. As such, an initially considered "lift and shift" strategy is not feasible because this would impact CDE's capacity to administer its remaining programs. The existing systems are nuanced, complex, and in some cases developed on legacy hardware/software that makes updating them costly and impractical. Further, CDE IT staff

identified as transitioning to CDSS will need to remain at CDE for maintenance of systems in the interim until a long-term solution is established and implemented, approximately two years.

CDSS will continue to work with CDE and identify where modifications to current processes are necessary for timely and accurate payment and reporting. CDE utilizes IT systems, CPARIS/PARIS and Child Nutrition Information and Payment System (CNIPS), to make determination of payments to contractors and sponsors, and to track financial and programmatic data related to federal and state programs. Encumbrance and payment information is extracted from these systems and uploaded to FI\$Cal. It has been determined that both systems will remain at CDE to ensure continuity of payments, and because they support other CDE programs that are not part of the transfer. To understand potential overlap of CDSS and CDE processes, CDSS is creating a crosswalk of each FI\$Cal field from CDE to CDSS and is reverse-mapping the data flowing from CDSS to CDE. It may be necessary for CDE to continue current processes and updates to the CPARIS/PARIS and CNIPS systems following the transfer, in which case, CDE would need resources, including staff, to support it. Once processed, CDE could provide data to CDSS, related only to the programs transitioning, so that it may be uploaded into CDSS' current FI\$Cal environment so that CDSS may issue payments to contractors beginning July 1, 2021. More in-depth discussion is necessary to determine the timeline and steps needed for an IAA related to fiscal data sharing between the two departments and any necessary staffing support and resources. These discussions are taking place through April 2021.

Due to the nuanced and complex nature of these data systems, a "one size fits all" approach cannot be taken. Each system must be carefully prioritized, analyzed, and understood before CDSS can determine best course of action. Further exploration of these options is needed to determine feasibility. CDSS is exploring each of the systems, with CPARIS/PARIS and CNIPS being the highest priority, through different perspectives for the following detail:

Technical

- Users of the system(s) and how to contact them
- System supports and responsibilities
- Any support contracts that underpin the above
- Maintenance Processes and time windows
- Dependencies on other system(s)
- Technology stack used by system(s)
- Data Retention Policies (Legal or otherwise)
- System backup and monitoring
- Service Level Agreements (SLA)
- Affected programs
- Ownership

Program Administration

- Access and capabilities of agencies and sponsors (end users)
- Contact management with agencies and sponsors
- Storage of terms and conditions relevant to operations

- Submission of regular monthly caseload and fiscal data from agencies and sponsors
- Review and approval processes currently managed within these systems
- Interface and reconciliation capabilities

Legal and Contractual

- Existing CDE Agreements that need to transition to CDSS to ensure continuity of service and partnership
- Provider contracts
- Existing software license and maintenance and operations services (e.g., hosting and consultant vendors) contracts
- Data Sharing Agreements (DSA) with other State agencies and non-State entities
- IAA with other State agencies
- New IAA(s) and DSA(s) between CDSS and CDE for the various datasystems that will remain with CDE
- Privacy, confidentiality and information security compliance for the systems
- The data sources, their legal owners, and their legal security requirements [i.e., any Health Insurance Portability and Accountability Act (HIPAA) Business Associate Agreements (BAAs) or other Federal requirements]

Upon completion of the full inventory and prioritization of data systems, CDSS will engage further with CDE and any affiliated partners to determine the best course of action for each system.

CDSS has many options available for transitioning responsibility of program administration as it pertains to data systems. As mentioned above, solutions will be custom designed to account for system nuances. Below are the options CDSS has identified for transitioning each system:

Lift and Shift: “Lift and shift” can be defined as a migration strategy where an exact copy of a system architecture (application, operating system, data, processes) is transported from its current state and settled into a new environment. As described above, this option does not appear to be feasible for the major systems and applications.

New System Development: The development of a new system would include defining, designing, testing, and implementing an alternative solution. This requires project planning, timeline and budget estimates, as well as access to extensive business requirements, subject matter experts, and existing use cases. This option should be considered when overlapping functionality exists, expiring licenses or support contracts constrain long-term maintenance, ongoing maintenance exceeds overall value, or spending and utilization no longer deliver the desired business outcomes and when doing so would not pose an immediate or sufficient interruption to process and ability to maintain continuation of services. New system development should only be considered when leveraging and/or modifying existing systems, processes, or agreements or may need to be a long-term solution while the existing system continues to be leveraged.

Integration with Current Systems and Business Processes: CDSS may find that certain CDE processes are similar to its own processes, or that its own systems can accomplish the same needs with minor modification. CDSS will evaluate workflows and system schema to identify where this is possible and integrate into current processes. Modification to processes and enhancements to systems could be required in this scenario and may impact staffing and funding which could be more cost effective and efficient.

Hybrid Solution: As CDSS discovers the nuances and functionalities of systems, it may be determined that a single solution does not address all needs. In such a case, CDSS will work to identify how multiple approaches can address these needs.

Interagency Agreement (IAA): CDE and CDSS have been working together on the scope of the IAA since March 1, 2021. The contents of any IAA will be dependent on the various strategies outlined above. The IAA Statement of Work (SOW) will include, but not be limited to, the necessary changes to system design, code, security, existing contracts (i.e., transfer of ownership), processes and policies for these systems, as well as the associated tasks and costs to accommodate the strategy approaches. The SOW can be drafted and defined in parallel to the discovery and development of the approaches to the transitions of the systems.

As CDSS is evaluating the options and determining best courses of action, the execution plan for some systems may be consistent with others. CDSS will attempt to find solutions that cover the needs of multiple systems to streamline execution.

Additionally, where appropriate, the CDSS will address multiple systems when drafting agreements and contracts.

Reporting

There are numerous reporting requirements tied to the administration of the programs transitioning on July 1, 2021. The transitioning programs currently utilize expenditure and encumbrance reports from Fi\$Cal to satisfy federal requirements such as the Federal Financial Report (FFR): FFN777 and ACF696. Fi\$Cal reports are reconciled with internal CDE systems to monitor federal grants on a cash basis. Data from the Child Development Management Information System (CDMIS) and CNIPS are also used to generate numerous reports to support administration of programs and fulfill federal funding requirements mandated by the Administration for Children and Families (ACF) and the Food and Nutrition Service (FNS).

CDE has provided CDSS with information regarding the landscape of reports to establish the scope related to the transitioning programs. CDSS and CDE will continue working closely to identify reports and plan for their transition. CDSS is working to review the information CDE has provided and will evaluate reports based on impact, mandate, magnitude, and frequency so that the highest priority reports are transitioned first. CDSS is committed to satisfying the highest priority reporting requirements when the transition occurs. Given the number of reporting requirements and the effort involved with their transition, however, CDSS may not be able to transition all reports immediately on July 1, 2021. Temporary delays may occur related to some reports due to staff resources, technical disruptions, and other external factors. CDSS will continue to complete reports beyond July 1, 2021, and actively work to improve the efficiency and quality of reports as opportunities are identified.

CDSS has developed a tiered structure to aid in identifying the highest priority reports. The tiered structure is as follows:

1. Funding Related - any reporting data with a direct impact to funding at the federal, state, or local level will be prioritized first (to be completed by the first federal reporting quarter after the transition begins). All state and federal year-end reports will be completed by CDE.
2. Legislative Mandates - any data reports with a federal or state legislative mandate that does not directly impact funding will be prioritized second.
3. Value Add - any data reports that are not directly tied to funding or legislatively mandated but are considered as a value add to program administration will be prioritized third.

In conclusion, CDSS and CDE are collaborating to avoid disruption to data collection and maintain the integrity of program information. The Departments will ensure that the flow of data supporting provider payments continues, that program support data continues to be collected timely and reliably, and that mandatory reporting continues.

Program Policy and Regulatory Impacts

CDE and CDSS will work closely together in full transparency on regulation promulgation and revision to reduce challenges for programs and providers. CDE has already started the process to identify regulations that apply to CSPP, one of the programs remaining at CDE, and provided notice regarding changes to these regulations to the public on December 18, 2020. These regulations will apply only to CSPP after the transfer so that there is minimal conflict within the current regulations. This regulation package will be adopted by April 1, 2022.

Moving forward, CDE and CDSS will work closely together on regulatory and administrative issues to ensure minimal challenges for programs, to include:

- Having a shared schedule and calendar of regulations that are in the process of being promulgated, as well as regulations that need to be updated.
 - As applicable, CDSS and CDE staff will work together on relevant development and updates and share proposed changes in advance so any potential conflicts can be identified and discussed before being released for public comment.
- Working towards a unified data system in which CDSS and CDE programs can enter program data into one place (i.e., avoid the need to log into two separate IT systems if they have both child care and preschool data to submit).
- Reviewing monitoring practices across programs, developing collaborative means designed to streamline and simplify the experience for the child care and development workforce.

CDSS will reconvene the Tri-Agency (CDSS, CDE, and F5CA) collaboration meetings and others to identify duplication and regulatory conflict, and assist with coordination of efforts. Tri-Agency collaboration efforts allow for streamlining early childhood governance and administration to improve equity and access to quality child care and development programs and services for children and families. This collaborative effort also strengthens a workforce from diverse socioeconomic backgrounds.

As part of this effort, over time CDE and CDSS will work to address the areas of misalignment between CCTR and CSPP that are due to state or federal statutory requirements that cannot be aligned through state regulations (e.g., priorities, eligibility, etc.). For example:

- CSPP allows for enrollment of over-income families, while the Child Care Development Block Grant (CCDBG) rules preclude this for CCTR.
- Family fees are not required for part-day CSPP, while CCDBG rules preclude this for CCTR, where families receiving part-time services are required to pay fees as determined by income and family size.
- The CCTR base reimbursement rate is lower than the CSPP base reimbursement rate.
- CSPP alignment with CCTR before and after school programs for continuity.
- Expulsion prevention requirements apply only to CSPP, but should be applied to all Title 5 and Title 22 licensed programs.
- There should be an allowance for dual enrollment of children attending CSPP in CCTR, CalWORKs Child Care, or other subsidized programs, to cover the days and hours a family may need services.

Issues that CDE will work with the Administration and Legislature as well as CSPP contractors and stakeholders to address during and after this transitional period may include:

- Age definitions that do not allow for parental choice in enrolling TK-eligible children in CSPP.
- Statute that requires the State Superintendent of Public Instruction to encourage CSPP contractors to offer full-day services through a combination of part-day slots and wraparound services.
 - Many Local Education Agencies (LEAs) offer “full-day” services of up to six (6) hours a day for the school year, which may not meet families’ needs. Clear and consistent definitions of part-day and full-day services are needed to allow for flexibility and to serve the needs of families.
- The need to better define Family Child Care Home Education Networks (FCCHEN) and how they operate under contracts including CFCC (California Family Child Care), CMIG, CCTR and CSPP. CDE will work in partnership with CDSS and others stakeholders on these goals with the intent to provide support and guiding policy to FCCHENs and the other center-based programs.
- Allowance for up to 24-month enrollment for eligible three-year-old children at initial certification in CSPP.
- Allowance for children in TK to also be served by CSPP for additional hours as necessary to meet the needs of families.

3. PROGRAMMATIC TRANSITION – CONTINUITY OF SERVICES and PARTNERSHIPS

State-Supported Child Care and Quality Projects

CDSS and its partners, as outlined below, will provide leadership to strengthen a quality and unified child care and development system that meets licensing requirements and supports and incentivizes programs meeting increased quality standards. These partners will work to build capacity for providers, programs, and families and use an equity lens to support culturally and linguistically responsive standards, supports, and partnerships.

Historically, California has had a robust vision of quality, and has led the nation in innovative quality improvement investments, including the California Child Care Resource and Referral Network (Network) and the Program for Infant and Toddler Care (PITC), that have been widely adopted not only throughout California but across the country. During and after the transition, and in collaboration with CDE, CDSS intends to strengthen quality projects to continue to buoy all child care and development programs so they may support the growth and development of young children and effectively partner with families.

Quality Investments

The Child Care and Development Fund (CCDF) minimum quality expenditure requirements² provide core funding for a multi-faceted quality vision designed to meet the professional development needs of providers and programs across the mixed delivery system. This core funding consists of federal, state, and local funds executed through a variety of means to meet the State's diverse needs, including IAAs, grants, and contracts to support the quality activities identified in the current CCDF State Plan. The activities supported under the current CCDF State Plan include:

- **System of Supports:** Licensing, TrustLine, and Data Systems are mechanisms for verifying and maintaining criminal background screenings, licensure status, and/or professional development information for caregivers.
- **R&Rs:** R&Rs are located in every county in the state to provide a variety of services to all parents/families seeking care, to members of the child care and development workforce seeking professional development and incentives for remaining in the profession, and to communities seeking support for their youngest residents.

² States must fulfill minimum quality expenditure requirements required by the Child Care and Development Fund (CCDF). With the transition, the Lead Agency for California's administration of CCDF will change from CDE to CDSS; the Lead Agency is required to submit the State Plan every three years. The current CCDF Plan is effective from October 1, 2019, through September 30, 2022. In accordance with federal regulations, the Lead Agency within each state is required to allocate 9% of the total discretionary, mandatory, and matching funds to one or more of ten quality activities that must align directly to the State Plan to be approved. An additional 3% must be used to support improving the supply and quality of child care programs and services for infants and toddlers through activities.

- Professional Development Systems and Activities, including QualityCounts California (QCC) Workforce Pathways
- **QCC Quality Improvement and Quality Rating and Improvement Systems (QIS and QRIS)**, with focus on responsive improvement supports for all settings.
- **Local Planning Councils (LPCs)**: LPCs are in each county and conduct local assessments of child care needs, identify local funding priority areas, foster local partnerships, and conduct local forums to address identified needs.

In addition to the CCDF funding, California makes additional investments to supplement and support the needs of the child care and development field and supplement CCDF investments. This additional funding includes, but is not limited to investments in:

- The CSPP Program Quality Rating and Improvement System Block Grant for targeted CSPP quality improvements.
- IMPACT 2020 and Quality Counts California, the State's QRIS/QIS.

The quality projects produced with these funds often have a synergistic effect and enable quality investments and activities to have a greater impact and responsively serve special populations and local needs. However, over time, the changing needs of the child care and development field, coupled with changing priority quality initiatives and impacted by the lack of regulatory alignment in the funding streams, has created parallel systems to meet regulatory requirements and system supports for center-based and home-based programs. This has resulted in unnecessary duplication and limited funds that could be invested to promote equity. CDE has provided CDSS with recommendations for updates to the quality projects based on federal technical assistance and information from the Preschool Development Grant project (PDG-R) on quality systems integration.

Efforts will be made to streamline and infuse new professional development into existing systems to avoid unnecessary duplication. Additionally, steps will be taken to ensure communication at the local level between training entities, local services and providers to ensure inclusive decision making and to offer maximum information for all child care providers to participate in appropriate professional development opportunities. This could involve soliciting ongoing feedback from programs participating and not participating in the QRIS system for the following purposes:

- To understand progress toward the State's quality improvement goals and inform future decisions regarding the QRIS design, policies and practices.
- To evaluate the equitable distribution of current QRIS supports, ratings, and financial incentives and compliance with health and safety requirements.
- To evaluate and understand the effectiveness of assessment systems, policies and tools intended to measure child outcomes.
- To evaluate the use and effectiveness of the state's infant/toddler, preschool, family child care, and out-of-school-time guidelines.
- To increase the support and capacity for family, friend, and neighbor (FFN) child care providers, family child care providers and home-visiting providers to offer quality care for underserved populations. Both departments are coordinating to address any recommendations through the CCDF state plan process.

Quality Counts California

Quality Counts California (QCC) was created as a result of the federal Race to the Top-Early Learning Challenge (RTT-ELC) grant through a partnership with CDE and F5CA. The RTT-ELC grant focused on five key areas of reform:

1. Establishing successful state systems for consistency and sustainability;
2. Defining high-quality, accountable programs through the creation of a statewide Quality Rating and Improvement System (QRIS);
3. Promoting positive child care and development outcomes for children and families;
4. Supporting a great early childhood education workforce; and
5. Measuring outcomes and progress using data to support kindergarten readiness.

The creation of the QCC expanded the work from the RTT-ELC grant to an umbrella of system supports and services for quality investments through a local, regional, and statewide approaches.

As part of its continuous improvement process, QCC is undertaking equity and anti-racist/anti-bias efforts to strengthen the overall approach to better meet the needs of California's diverse children, families, and workforce across all settings in the mixed delivery system. This includes plans for additional data collection and working with QCC local consortia on efforts to effectively engage all providers and to use culturally and linguistically responsive practices, in addition to having more of the field participate in implicit bias training.

CDSS has recently taken on a greater leadership role with QCC and is working in close partnership with CDE, F5CA, and diverse stakeholders to design and implement a shared definition and vision of quality. CDSS, CDE, and F5CA will provide leadership to create a unified continuum of care measured through foundational licensing requirements and revised QCC standards, as well as work closely with stakeholders to embed equity and other quality activities into the licensing infrastructure and across QCC standards and investments. For example, the partners will work together to increase the supports around meeting the needs of Dual Language Learners (DLLs), children with disabilities, and tribal child care programs through workforce development, CCL compliance supports, and targeted supports for providers whose home language is not English.

CDSS and its partners will work closely together to increase participation and engagement in quality activities through targeted outreach to more FFN providers, alternative settings, Family Child Care Homes (FCCHs), and center-based programs who are serving children and families that live in communities with high disparities, and providers who reside within those communities not receiving federal/state funding. This will help address the broader subsidy system as a whole and address barriers to services, including seeking avenues to increase access to online training opportunities.

With the transition of the CCDF funding and quality projects to CDSS as the lead CCDF agency (see page 32 for additional details), CDSS is committed to continuing to work with CDE to coordinate quality improvement efforts, including those that impact CSPP and the school readiness of children. The two departments will continue to collaborate regarding quality

investments that support mixed delivery settings. Additionally, CDSS and CDE will actively engage stakeholders for input and development to inform key gaps in quality investments, including on topics such as:

- Reducing inequities, such as those associated with expulsions and suspensions
- Embedding trauma/healing-informed care principles and inclusion practices.
- Partnering with diverse stakeholders across mixed delivery systems.
- Using demographic data to develop a framework for gap analysis in the workforce, support recruitment and retention efforts, and inform policy development and funding investments.

Integration of Quality Driven Projects through the Transition

CDSS will explore opportunities for cross-training staff on various monitoring and observation standards across programs to enhance and build capacity overall and improve the quality of early learning settings. Further, CDSS will explore a multi-disciplinary approach for joint facility inspections by CCL and the CACFP, which conducts quarterly monitoring reviews. Research suggests that joint inspections reduce administrative duplication and result in increased efficiency in monitoring child care programs and in the integration of data and workforce resources.

Additional recommendations include:

- Interpretive guides to explain the intent and rationale for regulations in user-friendly language.
- Recruitment of staff to reflect the cultural and linguistic demographics of the communities and programs they serve to help foster a culture of mutual respect, understanding, and support.
- Increased cross-collaboration between systems to support whole-child/whole-family outcomes and to help inform what needs are more prevalent in which communities and to shift quality investments to meet geographically unique needs.

Facility Expansion

CDSS will explore existing fund options and coordinate in partnership with LPCs to create data-informed plans and establish technical assistance capacity to aid in facility expansion. In addition, the Preschool Development Grant (PDG)-Renewal includes a statewide needs assessment to continue the initial investment made by the PDG-Initial grant. The statewide needs assessment and corresponding dashboard may provide critical information to support LPCs as well as the State in making data-informed decisions. For more information on the PDG-Renewal please see page 44.

Continuation of Engagement by the California Head Start State Collaboration with Preschool Programs and School Districts

Each state has a Head Start Collaboration Office (HSCO) that facilitates partnerships between Head Start grantees and their programs with state agencies that provide services to benefit children (from birth to school entry) in low-income households.

HSCOs are awarded funds under [Section 642B of the 2007 Head Start Act](#). Collaboration Office grants were developed to create a visible presence for Head Start at the state level and to assist in the development of multi-agency and public-private partnerships among Head Start and other interested stakeholders including CSPP. In aggregate, Head Start programs operating in California are the largest in the nation, and over 100 grantees or delegate agencies have contracts with the CDE to also administer General Child Care programs and/or CSPP. The California Head Start State Collaboration Office (CHSSCO) is included in the transfer of programs from CDE; however, the CSPP contracts will not transition to CDSS. As a result, the critical partnerships that CHSSCO has with the California Head Start Association, Office of Head Start (OHS), the Head Start technical assistance providers, CDE, other state departments, and other organizations and agencies in the child care and development community will remain a priority in continuing effective coordination, collaboration, and engagement efforts that prioritize children and families.

CDSS' Community Care Licensing Division (CCLD) currently maintains an evergreen Memorandum of Understanding (MOU) with the Region 9 OHS in an agreement to facilitate information sharing and ensure OHS and CDSS/CCLD have the required information to respectively make informed administrative program decisions. Specifically, CHSSCO is identified in this MOU as a liaison to work with state and local entities on initiatives and common interests to provide quality services for young children and their families. Through continued execution of this MOU, CHSSCO is positioned to continue operating in a collaborative role to benefit children and their families.

The CHSSCO is staffed with one member, the Director, with the goal of creating linkages between Head Start and CSPP and other State subsidized programs. In California, the Director of the CHSSCO has historically reported to the CDE Early Learning and Care Division (ELCD) Director, making the CHSSCO Director position a key part of the systems thinking, work and outcomes across all child care and development programs, not just those with public funding. Effective with the transfer on July 1, 2021, the CHSSCO will report to the CDSS Deputy Director of the Child Care and Development Division, and will maintain its existing role and functions to continue program operations and effectively continue planning and engagement activities with existing partners.

In addition, the CHSSCO Director monitors a contract with the Head Start California Association to carry out the six priorities as described in Section 642B of the 2007 Head Start Act. The OHS has prioritized the work of the HSCO to guide the work of CHSSCO to meet the goals and activities of each five-year grant. The six priorities include:

1. Partnering with state child care systems emphasizing the Early Head Start-Child Care Partnership Initiatives.
2. Working with State efforts to collect data regarding early childhood programs and child outcomes.
3. Supporting the expansion and access of high-quality, workforce and career development opportunities for staff.
4. Collaborating with State QRIS.
5. Working with State school systems to promote continuity between Head Start and Kindergarten Entrance Assessment.

6. Other federal OHS Regional Priorities.

The CHSSCO will continue its work in coordinating ongoing engagement among a variety of diverse child care entities, which include partnerships with CDE, CDSS and other State agencies and local entities. This critical work includes early childhood transition activities with preschool programs including Head Start and state-funded programs into TK/K; engagement with Special Education on Head Start-related services for children with disabilities; connection to child care and development workforce programs and supports for children and families experiencing homelessness; and special funding initiatives such as the Preschool Development Grants. In collaboration with CDE, CHSSCO will create a linkage and partnership between child care and development programs at CDSS and preschool programs including Head Start and state-funded programs that are a part of LEAs. With the support of the contract held by Head Start California, CHSSCO will expand its goals and activities to engage and identify yearly activities to support transition, include CDE, CSPP, and LEA staff in the yearly needs assessment, and share Head Start resources and information.

The CHSSCO Director will participate in coordination meetings with CDE and Preschool through Third Grade (P-3) activities overseen by CDE. Given the current staffing structure within CHSSCO and the required systems focus, CDSS and CDE will explore the feasibility of adding additional internal support to the role of the CHSSCO Director to support engagement with CSPP and LEA partners. Additional CHSSCO connections with CDE can be found in the *“Continuation of CHSSCO Engagement through Committees, Boards, and Liaison Roles”* section on pages 37-38.

4. CONTINUOUS PLANNING AND ENGAGEMENT

Outcome of Current and Ongoing Stakeholder Engagement to Aid with Integrating Child Care Programs

Robust stakeholder engagement has been a critical component of transition planning. Throughout the process, CDSS has maintained an open line of communication with stakeholder partners to obtain additional feedback for further development and implementation regarding the goals of the transition as well as the Master Plan. As the transition proceeds, CDSS will continue to solicit feedback from our stakeholder community and to schedule regular touchpoints with diverse stakeholder groups to solicit suggestions, concerns, and proposed solutions, and will adjust our goals so that the integration of child care and development is operationalized effectively. Equally important, CDSS will ensure that parents and caregivers remain well-informed of support options for their families and are knowledgeable about how to obtain desired services and supports that meet their child care and development needs.

CDSS recognizes the transition is complex and requires ongoing and responsive communication. Further, CDSS will engage with the field to share proposed changes, gather feedback, provide technical assistance and deliver copious notifications in advance of implementing changes to any processes or requirements.

In the 60 days prior to the transition CDSS will:

- Publish all transition updates on the [CDSS Transition website](#) and hold monthly webinars updating stakeholders on the transition process.
- Provide regular updates to key leaders and stakeholders, including but not limited to, Child Care Providers United (CCPU) union, Early Childhood Policy Council (ECPC), CACFP Roundtable, California Alternative Payment Program Association (CAPPA), County Welfare Departments, advocates, legislative staff and other critical partners
- Solicit questions and update the forthcoming Frequently Asked Questions (FAQ) and transition website accordingly based on feedback.
- Add to the public FAQ posted on the transition website so questions are answered publicly.
- Provide targeted stakeholder sessions 60 days prior to the transition:
 - In addition to monthly webinars that speak broadly to transition topics, host targeted webinars for key stakeholders (e.g., APPs, parents, providers, sponsors) to ensure seamless continuity of programs and payments, share progress and address concerns related to specific funding streams/key aspects of child care and development service implementation.
 - Work closely with key partners (e.g. CCPU, CAPPA, R&Rs, QCC local consortia leadership, County Welfare Departments and others) to hear concerns and ensure partners have needed information to communicate proactively and consistently with their members about transition-related issues.
 - Share updates and key timelines for the onboarding process for staff transitioning from CDE to CDSS to ensure they have the information they

- need for their new roles and can communicate consistently with contractors and other stakeholders about transition-related issues.
 - Provide training for key local stakeholders to ensure they are prepared to support local programs and partners and answer transition questions, including R&Rs, LPCs, QCC local consortia and others.
- 30 days prior to transition:
 - Publish points of contact for common questions on the transition website and share this information via webinar; ensure CDSS staff are prepared to answer questions quickly and have clear processes for efficiently elevating and answering more complex questions.
 - Release details to the workforce on points of contact for fiscal, contracts and programmatic support. Where feasible, CDSS will seek to maintain existing relationships with contract monitors to support continuity of services and relationships.
 - Confirm local leaders have information they need and are prepared to answer questions related to the transition (e.g. complete Q&A, access to online tools to ensure they are clear and answer common questions).
 - Continue targeted webinars for specific stakeholder groups (e.g. APPs and center-based direct contractors) to ensure all transition-related questions are addressed and there is continuity of services and payments.
- CDSS and its partners will continue a sustained communication focus *after* the transition occurs to ensure questions and concerns are quickly addressed and there is consistent communication across the state. CDSS will also have staff monitoring the cctransition@dss.ca.gov mailbox for any questions and will provide responses within 72 hours of receipt during core business hours.

Child Care Transition Stakeholder Engagement Process

CDSS has developed a comprehensive plan to engage parents and other critical stakeholders throughout the transfer. Building upon successful client engagement strategies recently employed in other programs, targeted efforts to engage parents and caregivers have included:

- Facilitating opportunities for engagement in workgroups and stakeholder meetings. This requires identifying tools and resources needed to support parents' and caregivers' ability to engage in the process and make the engagement process accessible by removing barriers to participation (e.g., scheduling meetings in the evening and on weekends).
- Considerations and discussion around barriers to access and equitable outcomes that are unique to certain populations groups, (e.g. meeting the needs of children with disabilities and migrant children and families).
- Engagement through various venues and modalities such as utilizing the CCL newsletter, dissemination of information via CCL's child care advocates, CDSS' partnership with Parent Voices and other parent advocacy groups, and others.
- Supporting language access, utilizing culturally relevant approaches, and accommodating potential limitations to full participation during the pandemic, such as video and teleconferencing.

CDSS and CDE leadership also regularly meet with the CCPU, a provider organization which acts as the representative for FCCH and the FFN child care and development workforce on

matters related to child care subsidy programs. Assembly Bill (AB) 378 (Chapter 385, Statutes of 2019), established the scope of representation of the CCPU, and requires the Governor, through a CalHR designee, to meet and confer in good faith on all matters within the scope of representation (also established via AB 378). AB 378 further requires CDE, CDSS, and CCPU to jointly prepare a memorandum of understanding if an agreement is reached, which would be binding on all state departments and agencies, and their contractors and subcontractors, and any political subdivision of the state that are involved in the administration of state-funded early care and education programs.

CDSS will also work closely with key stakeholders critical to the implementation of child care and development services in California to partner on ways to streamline and strengthen child care and development services.

Parent and Program Focused Engagement

An equitable approach to child care and development services that meets the needs of the whole child and the whole family is at the core of CDSS' transition goals. Through the transition, it is CDSS' intention to integrate a responsive statewide child care system that can flexibly serve the child care and development needs of children and families who have too often been excluded from government resources and opportunities because of race, poverty, disability, language, variable work schedules and geography. A whole-child/whole-family approach to services means that neither the child nor their parents will be left behind; services will address the needs of both children and parents together, which results in the provision of care and support that leads to resilience and sustainability for future generations.

CDSS is partnering with the California Child Care Resource and Referral Network, Parent Voices California, to gather authentic feedback from its parent members about opportunities to improve the child care and development system in California. ParentVoices, a parent-led grassroots organization that is dedicated to making high-quality child care accessible to all families, will conduct five focus groups with parents regarding the child care system, child care eligibility, access to child care, child care quality, and child care costs. Parent Voices will also select 10 parent leaders who reflect California's racial and geographic diversity to participate in these focus groups. Selected participants will include parents with infants, of children with disabilities, of children who are dual-language learners, and parents who are housing insecure. Parents will be compensated for their participation. In addition, the PDG-R Parent Cafes (a support network for parents and caregivers to receive and share information on strengthening families), established as part of the PDG-R project to engage parents and caregivers, can be another source of critical feedback and information.

CDSS is also partnering with CCLC to conduct a series of provider focus groups, modeling the sessions after the parent focus groups to promote equitable access and diverse participation. Furthermore, CDSS is consulting with tribal organizations about the transfer to gauge impact on tribal communities and solicit feedback.

CDSS leadership has also shared information and solicited feedback about the transfer at events such as the joint CAPPA/California Child Care Resource and Referral Network 2020 conference, the Child Care Food Program (CCFP) round table, meetings of the Early

Childhood Policy Council (ECPC), at the Child Care and End Child Poverty virtual event, and the F5CA Executive Directors meeting.

Continuation of Current Engagement Practices Across Transitioning Programs

In addition to these transition-specific engagement strategies, CDSS will continue to meaningfully engage with stakeholders on an ongoing basis, and is committed to maintaining its existing stakeholder feedback processes. The CDE's existing processes include family input sessions, which are held throughout the state at the local level, and creating parent advisory groups on targeted topics, usually comprised of a representative group of 20 parents, to solicit rich feedback and discussion.

Continuation of Engagement in the Development of the Child Care and Development Plan

Currently, CDE is required to coordinate with CDSS, F5CA, Tribes, and other stakeholders, including the Department of Finance, to develop the CCDF State Plan. Prior to submitting the State Plan to the federal government on June 30th, CDE releases a draft of the plan and commences a 30-day public comment period and also holds a public hearing (held on March 30, 2021). CDSS will take over as the lead CCDF agency as of July 1, 2021, and will follow the annual process of the CCDF plan development and public comment so that future CCDF plans reflect stakeholder input. CDE and CDSS are working together in close collaboration on the CCDF plan which is under development with the final due to ACF on June 30, 2021. The Legislature will receive the plan by April 26, 2021.

After the transition, CDSS will also continue to abide by public input mechanisms as required by the Education Code (EDC) and federal regulations including:

- Parent advisory group at the program level
- The ECPC (EDC section 8286)
- LPCs which require parent representation (EDC section 8499)
- A required 45-day public comment period prior to adoption of proposed rules or regulations [[Government Code section 11346.4\(a\)](#)]

Furthermore, in collaboration with CDE, CDSS will actively and regularly seek the voices of families to inform the design and delivery of child care services as well as the broader suite of services to support the whole-child/whole-family vision working jointly to plan and implement stakeholder engagement.

Preschool and Education Programs Administered by CDE

The following programs and funding will remain under CDE's leadership after the transition:

- California State Preschool Program (CSPP)
- Quality Counts California (QCC) CSPP Block Grant that provides Quality Rating and Improvement System (QRIS) Grants for CSPP
- The Inclusive Early Education Expansion Program (IEEEP)
- The American Indian Early Childhood Education Program (AIECE)
- After School Education and Safety (ASES) Program
- 21st Century Community Learning After School Programs
- Transitional Kindergarten (TK)

- Special Education Services for Young Children with Disabilities (IDEA Part B and a portion of Part C)
- Elementary and Secondary Education and Other K-12 Investments

In response to the release of the Master Plan, CDE began engaging stakeholders to develop a unified P-3 approach with the following goals:

- Elevate the role of high-quality, inclusive, and multilingual preschool with a strong focus on early literacy and social emotional development;
- Implement a robust inclusion model, early intervention services, and process to facilitate transitions for all children, especially those with special educational needs and those with a home language other than English;
- Align preschool, TK, and K-3 curricula, training, assessments, instruction, and teacher requirements; and
- Support more effective transitions from IDEA Part C to Part B and from preschool into TK and/or K.

In 2021-22, CDE will develop a P-3 strategic plan for horizontal and vertical alignment of child care and development, multilingual learners, and early intervention in close partnership with diverse stakeholders, including CDSS. This planning will include strategies to:

- Address barriers to alignment, integration, and best practice implementation through regulatory revisions, statutory proposals, and communication within the agency and with the broader field.
- Encourage implementation of universal design and formative assessment tools to inform instruction in every preschool and elementary classroom.
- Focus on strong multiliteracy, multilingualism and language development as well as social emotional learning throughout, including:
 - Aligned curriculum, instructional content and assessment tools across P-3 to support practitioners use best practices for language development and literacy;
 - Aligned professional development including training, technical assistance, and coaching for practitioners and leaders;
 - Elimination of seclusion and restraint; and,
 - Inclusive programs, policies, and practices.
- Acknowledge and actively dismantle inequity in preschool and K-3 systems so that children are not deprived of opportunities to learn by:
 - Improving practices and ultimately eliminating suspension and expulsion, and other racist and developmentally inappropriate exclusionary discipline;
 - Identifying disabilities early to promote equitable access to early intervention and parental supports and addressing least restrictive environment in preschool settings;
 - Ensuring all practitioners receive ongoing implicit bias training to address all forms of bias and its impact on children; and
 - Using data to inform continuous improvement, assess progress on achieving equity, and enhance coherence across grades (e.g., a kindergarten entrance assessment tool aligned with the Desired Results Developmental Profile-Kindergarten (DRDP-K)).

- Foster strong family and community engagement and partnership with families across P-3, with a focus on supporting children with disabilities.
- Support the P-3 workforce to promote equity, multilingualism, early intervention, and inclusion through:
 - Tailored and aligned teacher training opportunities, coaching for practitioners and leaders; and
 - Updated credentialing standards.
- Develop strong leaders and partners at the State and local levels through a leadership development academy that:
 - Builds knowledge and cultivates champions; and
 - Engages leadership at the district and site level, as well as school board members, in the value and implementation of early intervention, developmentally appropriate practice, and P-3 alignment.

The strategic planning will be designed to have equity and a whole-child/whole-family approach at the center of all redesign work. The CDE will partner with state agencies and stakeholders to reimagine the P-3 system, especially for children of color, dual-language learners, and children with disabilities, and develop a plan to strategically leverage this opportunity to better support all children, families, schools, the child care and development workforce, and communities.

The CDE will utilize staff, resources, and expertise to support LEAs and partners in implementation of effective strategies through the transformation of the ELCD with focus on supporting preschool and transitions to K-12. The ELCD will be designed to foster specific collaborative activities with CSPP, Head Start programs, special education, TK, and elementary and secondary education to stay connected and informed through integrated, and aligned strategies that will work to:

- Support all four-year-old and at-risk three-year-old children to have access to quality preschool programming to intentionally support their school readiness and long-term success.
- Identify young children with disabilities early, and support that all children have access to early intervention services that could remediate their later special educational needs, strengthen transitions for continuous services, and support educators to use inclusive preschool practices that benefit all children.
- Identify young DLLs early and support school leaders and educators to implement best practices for supporting multilingualism and multiliteracy.
- Sustain gains from investments in child care and development and intervention services through developmentally appropriate practices and aligned instruction with a focus on inclusion and equity across the early elementary years from P-3.
- Support the P-3 workforce through discussions on potential changes to credentials and higher education as well as aligned and improved professional learning opportunities.
- Use data to inform policy, investments, and strategies by determining data indicators needed, moving towards stronger connections of preschool and K-12 data, and launching a preschool dashboard to highlight equity, access, and school readiness.

While this vision is being designed and implemented, CDE will immediately:

- Create a P-3 webpage on the CDE website for stakeholders to access the latest news on P-3 progress in California and learn more about ways to engage with CDE during the planning and implementation process.
- Launch a P-3 Alignment inbox for stakeholders to share questions, concerns, and excitement about California's P-3 work (P3-Alignment@cde.ca.gov).
- Begin a series of stakeholder engagement efforts to bring together voices across the child care and development, special education, multilingual support, and elementary school fields to share challenges and solutions on a variety of topics.
- Launch an internal workgroup to bring together staff with expertise across child care and development, special education, and multilingual support to plan for and hold stakeholder engagement sessions and develop content for the P-3 website.
- Field a survey to a large list of child care and development, special education, multilingual support, and early elementary stakeholders to solicit input on focus areas for the next phase of stakeholder engagement and to aid in the development of a stakeholder engagement plan.
- With the support of philanthropy, engage the National P-3 Center for expert support in developing a strategic plan and accompanying action steps.

Collaborative Activities between Preschool, Secondary School (CDE) and Child Care (CDSS)

It is CDE's and CDSS' shared goal for California's three- and four-year old children to have improved access to high-quality preschool that provides them with age-, developmentally- and culturally-appropriate activities and curricula that prepare them for school. Therefore, CDE and CDSS intend to launch a phased approach to achieving the goals of the Early Childhood Development Act of 2020, uniting child care programs where they can best be integrated with other child- and family-focused benefits, programs and services, and supporting children, their families, their child care providers and programs, while maintaining vital connections to preschool, transitional kindergarten (TK), and K-12 education. To this end, CDSS and CDE will continue to coordinate efforts to maintain and enhance the connections between child care services and learning outcomes and development programs (i.e., state preschool, TK, and K-12 education).

CDE will retain CSPP following the implementation of the Early Childhood Development Act of 2020. Assembly Bill 2759 (Chapter 308, Statutes of 2008) consolidated longstanding existing preschool supports at CDE into CSPP, the largest state-funded preschool program in the nation. The program provides both part-day and full-day services that deliver a core class curriculum that aims to be developmentally, culturally, and linguistically appropriate for the children it serves. CSPP provides meals and snacks to children, parent education, referrals to health and social services for families, and staff development opportunities to employees. The program is administered through LEAs, colleges, community-action agencies, and private nonprofit agencies. Transitional kindergarten (TK), defined by Education Code Section 48000(d) as the first year of a two-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate, will also remain under CDE's administration.

Because many children are eligible for and receiving both CSPP and other child care program subsidies, and because TK and school age students may also be receiving wraparound

services for care from programs administered by both CDE and CDSS, it is important that both departments reinforce engagement strategies that encourage mutual decision-making processes when considering actions that may impact children served by both departments. It is essential that any barriers to accessing services be eliminated, so that children being served by both CDE and CDSS can get the care and learning activities and supports they need. Due to the COVID-19 pandemic, many children are engaged in school distance learning while at their child care settings. This is another critical reason for which the links between child care and education must be strong enough to support the children and programs who rely on them. CDSS and CDE are committed to intentionally supporting the development and growth of children, their families, service providers and schools to lay the groundwork for their success, and thus, the success of these programs.

To the extent practical, CDE and CDSS will explore opportunities to unify and strengthen programs and services across both departments. Further, to foster effective coordination, continued communication, and an opportunity to collaborate on ongoing efforts for policy and program improvement, a quarterly cross-agency meeting will be held to include CDSS, CHSSCO, as well as partners from the California Department of Developmental Services (DDS), CDE, contractors, LEAs, parents, and caregivers to support continued engagement in the establishment and improvement of services with an emphasis on equity and a whole-child/whole family approach.

These meetings will serve as an opportunity to explore the following proposals for continued collaborative activities between CSPP, TK and K-12 education and child care as recommended in the Master Plan and by stakeholders through the stakeholder engagement process:

Program Standards and Practices

- Infuse an equitable, whole-child/whole-family approach to the delivery of all services.
- Coordinate with CDE to support wraparound services for all CSPP participants who need them.
- Evaluate opportunities to implement categorical and presumptive eligibility for child care programs, eligibility extension, and prioritization for high-need groups.
- Modernize child care and development guidelines to include supports for DLLs and children with disabilities.
- Explore potential revisions to program standards that support streamlining of licensing to aid in expediting the process.

Professional Development

- Engagement in the development of child care and development foundations, curriculum frameworks, and program guidelines to incorporate culturally and linguistically responsive, family-focused and data-driven practices.
- Expand Workforce Registry as funding permits and leverage data collection efforts through the Workforce Registry to track and report the supply and characteristics of early childhood/child care and development professionals and caregivers participating in state-funded professional development, and identify compliance and training trends to inform future policy decisions.

- Engage with the Commission on Teacher Credentialing to advance development of a professional learning system and related structures to support conduits for child care and development professionals, expanding educational and training opportunities.
- Expand career advancement opportunities by providing alternative pathways for professionals to complete competency-based, responsive professional development opportunities.
- Strengthen two- and four-year degree pathways for child care and development professionals.
- Consult with the Commission on Teacher Credentialing in the consideration of higher education program quality assurance systems to review and accredit degree programs.

Workforce Requirements and Quality Supports

- Make adjustments to licensure and workforce requirements to address anti-bias, as well as the needs of dual-language learners, children with disabilities, and children who have experienced trauma.
- Develop educator competency performance measures, and evaluate degree pathways based on competencies.

Payment and Enrollment

- Evaluate proposed improvements to payment and enrollment systems (reimbursement model, sliding family fee scale, categorical and presumptive eligibility models, extended eligibility, prioritization, etc.).
- Review the Regional Market Rate (RMR) survey methodology and exploration of alternative methodologies to increase equity in provider payment rate setting.
- Invest in facility expansion.

Data

- Implement data collection strategies and training to increase the equitable treatment and reduce bias for all children.
- Share data across child care and development programs and TK/K-12 educational programs to encourage school preparedness for children.
- Complete analysis of data to identify service needs and gaps to help determine where to focus investments.

Continuation of CHSSCO Engagement through Committees, Boards and Liaison Roles

On a continuous basis, CHSSCO will maintain continued coordination and collaboration by way of the following associated Committees, Boards and Liaison roles:

- **CHSSCO Advisory Committee.** Led by the CHSSCO Director, the Advisory Committee plays an instrumental role to inform the CHSSCO Director of successes and needs in the field. In addition, the Advisory Committee provides feedback and considerations on the work of CHSSCO. The CHSSCO Advisory Committee meetings are currently on hold due to the planning efforts related to the transfer to CDSS effective July 1, 2021, but will resume after the transition.

- **CDE – ELCD Coordination.** Maintain input and collaborative efforts to improve coordination with state programs by providing input in the grant writing process, providing input/sharing information on the Strategic Early Childhood discussion with the Governor, support the development and completion of state and federal reports, spearhead workgroups to develop regulations and program requirements, and maintain an active in-house Head Start partner and liaison role.
- **ECPC.** Maintain membership of the ECPC to elevate the needs of young children and their families; advise the Governor, Legislature, CDSS Director and State Superintendent of Public Instruction on child development and child care and development; and provide recommendations on California’s early childhood system regarding support for the demographic, geographic and economic diversity of California’s children and families.
- **California State Head Start Collaboration Office Licensing Workgroup.** The CHSSCO Director leads this workgroup, which is comprised of CDSS’ CCL staff, CDSS CCL Advocates, Head Start Directors and the California Head Start Association. The focus of this workgroup is on statewide system work between Head Start programs/agencies and licensing.
- **California Department of Public Health (CDPH) Home Visiting State Interagency Team.** This workgroup’s purpose is coordination, effectiveness, and alignment of high-quality, evidence-based and culturally competent home visiting services to California’s families.
- **Project HOPE Cross Sector State Team.** This project focuses on inequities in California. The CHSSCO Director participates as a lead in the Project HOPE work to address access and equity for all tribal programs funded through both state and federal programs providing child care and development programs. These programs include tribally funded programs, Tribal Head Start programs and Tribal Child Care programs.
- **Quality Counts California (QCC).** Maintain a three-year QCC team membership; actively participates and presents at quarterly meetings, provides training, provides support on the implementation of QCC for quality improvements, including rating and improvement assessment, and integrating systems development.
- **Head Start California Board (California Head Start Association).** Operates as the State Liaison and attends and presents at board meetings, with direct attention on field needs to inform policy and practice.
- **Learn the Sign Act Early Advisory Board Member.** Operates as the Head Start State Liaison to aid in early identification of children with developmental delays and disabilities and promoting parent-engaged developmental monitoring and facilitating early intervention.
- **Federal and State Coordinator and Liaison.** Coordinates efforts and meetings between various California State Departments and the Office of Head Start Region 9 and the American Indian/Alaska Native Region XI Head Start Collaboration Office Director.

System Design and Development/Data Sharing Planning and Engagement with CDSS and CDE

Following the transition of child care programs on July 1, 2021, CDSS will accelerate the implementation of a technology solution to contribute to its long-term data and systems vision for current and newly transitioned programs. CDSS will also play an active leadership role in CHHS and statewide efforts to achieve interagency data system collaboration and improved state-level reporting that will support the goals of the Master Plan [i.e., Cradle-to-Career, Early Childhood Integrated Data System (ECIDS), the Statewide Verification Hub (SVH), etc.]. The goal behind this more collaborative, responsive and user-friendly data system is to provide parents and caregivers with accessible, intuitive, and meaningful information so they can make informed child care choices that meet their needs.

This long-term vision is to modernize and streamline the child care and development data infrastructure in a way that will ultimately support efforts to develop an interagency data system that would:

- Operationally allow for the framework of an Early Childhood Integrated Data System (ECIDS);
- Regularly contribute to the cradle-to-career analytic dataset;
- Improve state-level reporting, insights, and tracking, and provide a comprehensive view;
- Broadly achieve the goals of the Master Plan on equity, quality and availability as defined by the communities served; and
- Achieve the intent of the Early Childhood Development Act of 2020 to provide parents and caregivers with enhanced information about making informed child care choices that best meet their needs, from the full spectrum of quality child care available.

Post-transition, CDE will share public child care program data, including state preschool, TK, Head Start, and special education program data with CDSS to support the design and implement these broader system changes. To assist with these data sharing efforts, CDSS will revise data-sharing practices and create a single, unified identification system for families and children for data security and to support this integrated approach. Data-sharing agreements will also be established to outline the process and conditions under which data will be shared and used by stakeholders.

These efforts, along with the efforts described below, address data collection, processing, reporting and communication, research, and continuous quality improvement. The resulting integrated departmental data system will allow CDSS to improve service delivery, administration of programs, reporting, and consumer education.

Information on Comprehensive Supports for Families

To best meet the needs of their families, parents must be meaningfully informed of the support options available, empowered to make the best choice for themselves and their children, and offered easily navigable opportunities to obtain desired services and supports that will meet

their child care and development needs. The following statewide child care and development information hubs and resources already exist:

- [MyChildCare.ca.gov](https://mychildcare.ca.gov): A new, interactive portal in English and Spanish that was created in response to the pandemic, which helps families find licensed child care providers that are open. Information includes the location, health and safety details, ages of children served, capacity, and hours of care.
- A standardized consumer education database (MyChildCarePlan) required by the CCDBG and developed in collaboration with R&Rs that includes all of the individual child care R&R agencies in the 58 counties in California (key aspects of which will be consolidated into MyChildCare.ca.gov in the future). All facility landing pages also have a link to the appropriate local R&R agency, and those agencies are available to assist families in navigating child care availability, enrollment and subsidies.
- [California Child Care Resource and Referral Network](#): Includes a comprehensive resource section for families.
- [Quality Counts California](#): Includes information to help parents determine what a quality program looks like, how to choose a quality Child Care and Development program, and find a listing of all state R&R agencies.
- [Desired Results for Children and Families](#): A CDE website designed in collaboration with WestEd to inform parents about child care policy changes, the DRDP, parent conferences, family surveys and environmental rating scales. Resources to other websites are linked for families to learn more about children's early development.

Programmatic Data Sharing and Reporting

CDSS will revise data-sharing practices by creating an identification system for families and children to support data security and integration. Data-sharing agreements will also be established to outline the process and conditions under which data will be shared and used by stakeholders. A secure process for linking data across sources will be developed.

Access to data will be used to advance equity. An annual report will be built and developed to collect population-based data to monitor child-focused data that affect outcomes such as access to child care and development, inclusion, and suspension rates. Dashboards will be designed, and systems-based metrics will be shared with the public regularly to examine bias and use system- and population-based data to understand the root causes of inequities and engage in actions that respond to those findings.

To the extent possible and using MOUs, CDE and CDSS will share their data to support a more robust system. For example, CDSS may share child care program data and CDE may share educational data, including state preschool, TK, and special education program data with CDSS to oversee integration and engage partner agencies and stakeholders to fully design and implement system changes.

5. PROGRAM INTEGRATION AND ENHANCEMENTS

Continuation of Program Integration and Opportunities for Program Enhancements through the transition

As CDSS continues to engage with stakeholders around the transition, many key themes and opportunities for system improvement have been raised. As CDSS continues to move forward with a more detailed analysis of key stakeholder findings and system evaluation in partnership with the Center for Law and Social Policy (CLASP) and the Child Care Law Center (CCLC), some areas identified for program enhancement that have already been brought to light during the transition for consideration include:

- Streamlining of eligibility processes across care and social safety net programs;
- Consolidation of CalWORKs Child Care Stages One, Two and Three;
- Exploration of potential rate reform proposals;
- Embedding equity- and trauma/healing-informed approaches across the child care and development delivery system; and
- Integrating data systems across programs.

The consideration of these proposals will start with the engagement of stakeholders and discussions with the Legislature to identify which proposals to pursue.

Paths to Policy Change

CDSS is working with CLASP and the CCLC to identify policy proposals that align with the following principles:

- Incorporate the input of users (e.g., parents and caregivers), those that deliver the services (e.g., the workforce), and program administrators and community partners;
- Address the needs of the most vulnerable (e.g., families experiencing homelessness, children with disabilities, children involved in the child welfare system or at risk of involvement, and households experiencing poverty);
- Infusion of a whole-child/whole-family approach;
- Focus on dismantling structural racism;
- Simplify processes; and
- Incorporate findings and recommendations from the Master Plan and the BRC Report.

Integration of Child Care and Development Programs and Expected Outcomes

The integration and streamlining of child care programs is a primary objective of the transition. Currently, families in need of services may lose access due to administrative burdens and fractures that exist in the system. In this transition, CDSS is considering the following methods to improve program integration: consolidation of funding streams and programs, streamlining of eligibility processes and standards, and reviewing and unifying rate and fee structures.

Consolidation of Programs and Funding Streams

As part of the integration efforts associated with the transfer of child care programs from CDE to CDSS, consolidating the various child care programs and funding streams will be considered. Consolidation of funding streams is in alignment with the Master Plan as well as guidance in the 2019 BRC Report, and has been raised as a priority during stakeholder engagement.

Following the transition, CDSS intends to conduct a full analysis, in partnership with both CLASP and CCLC, of the three-stage CalWORKs child care system to determine whether the original intent of the system (i.e., to create a seamless system in which CalWORKs recipients would transition smoothly through the child care stages and experience no break in service) is being met through the existing structure. Over the past two decades since the creation of this system, stakeholder feedback has shown that parents face challenges when transitioning through each stage. Differences in program operations, policy, and regulations have resulted in barriers for families that have caused breaks in child care services, disrupted participation in Welfare-to-Work activities, and made it difficult to retain employment. Consolidation of CalWORKs child care may prevent families from experiencing breaks in child care and could lead to a greater number of CalWORKs families experiencing self-sufficiency and independence from aid. Along with the analysis of CalWORKs child care consolidation, CDSS will also consider the consolidation of other contracted or voucher-based programs to provide a more comprehensive mixed-delivery system for families.

The consideration of consolidating child care programs will start with the engagement of stakeholders and discussions with the Legislature to identify which proposals to pursue.

Streamlining of Eligibility Processes and Standards

The existing child care subsidy eligibility system presents challenges, too often forcing parents/caregivers and program administrators to complete and manage excessive paperwork to both apply for and remain in receipt of child care subsidies. While the implementation of immediate and continuous, 12-month eligibility within the subsidized child care system has assisted in reducing paperwork and administrative burden, CDSS is committed to simplifying, streamlining, and modernizing eligibility processes as much as possible in a broader effort to continuously improve parents' experience and access to services. As part of the transition, CDSS will include child care and development programs in the development of the verification hub for multiple programs in order to reduce the administrative burden on both families and programs (see the Statewide Verification Hub sections on pages 43 and 52 for more information). In addition to the streamlined application, CDSS will also consider pursuing policies related to categorical and presumptive eligibility for programs to allow families easier access and more immediate services.

Reviewing and Unifying Rate and Fee Structures

Reimbursement rates in child care and development programs in California exist in two unique, unaligned systems: licensed and license-exempt voucher-based child care and development programs are reimbursed using a RMR that accounts for geographic cost factors, while directly

state-contracted child care centers such as State Preschool programs are reimbursed at a flat Standard Reimbursement Rate (SRR). This two- system approach results in different access to care and program quality, and uneven compensation for the child care and development workforce. This approach also limits access to care for parents and may result in additional fees.

Recommendations from the Master Plan as well as other child care and development reports encourage the development of a single, regionalized reimbursement rate system for child care, preschool, and child care and development services that:

- Compensates providers by reimbursing them at rates that reflect the economic diversity of California;
- Recognizes the costs of meeting varying quality standards and regulations; and,
- Strengthens the ability of the state's mixed delivery system to provide quality child care and development options.

As part of the transition, CDSS will collaborate with CDE in reviewing recommendations from stakeholders regarding reimbursement rate reform with the goal of adopting a comprehensive, unified, and equitable rate structure that improves the provision of services for families and fortifies the long-term viability of the child care and development workforce.

Strengthening Workforce Competencies

Equity for all young children can be advanced by ensuring the child care and development workforce has access to learning and support opportunities, compensation that aligns to qualifications, and unbiased pathways to career advancement—regardless of race, gender, culture, language, age, geographic location or the setting in which one works.

Research by The Institute of Medicine (IOM) and the National Research Council (NRC) indicates that one of the most predictive measures of children's development and learning is the quality of the interactions with the adults in their lives. Ensuring that licensing staff receive the same training as the child care and development workforce is part of the shift to a competency-based workforce development system. CDSS and CDE will partner to align standards for Title 22, Title 5, and other publicly funded child care and development programs to provide integrated standards. Alignment will provide families with a workforce network based on foundational knowledge of health, safety, and child development, including an understanding of how to support DLLs, children with disabilities, and trauma/healing-informed practices.

Statewide Verification Hub

The Statewide Verification Hub (SVH) is a CHHS-sponsored, CDSS-led IT solution that will improve California families' access to services by streamlining the eligibility verification process for CHHS programs, while preserving individuals' privacy and security. Early efforts focus on CalFresh, CalWORKs, Medi-Cal, and child care and development programs involved in the subsidy system. This agency-wide effort supports the development of a leverageable IT solution that will connect eligibility systems with accurate and timely data sources. The SVH solution will result in a freestanding system that centralizes and facilitates appropriate access to electronic verification data for CalWORKs, CalFresh, Medi-Cal, and child care and development programs. The SVH will be capable of receiving electronic data through modern

data sharing methods such as application programming interface (API). Once received, data from multiple sources will be cleansed, merged, and processed to result in reliable integrated and individualized datasets.

This system forms the backbone of CDSS' capacity to integrate datasets and systems from virtually any electronic source, together at the client, consumer, and individual level. As noted, subsidized child care and development programs will be included in this system from the onset. Initially this inclusion was focused on CalWORKs Stage One child care; but with the transition of child care and development programs from CDE to CDSS, the number of programs CDSS can integrate into planning efforts has expanded accordingly. CDSS will be well-positioned as a leading contributing partner to the pursuit of an interagency data system.

The SVH will be designed in partnership with stakeholders and tested being launched.

CDSS Facility Management System (FMS)

CDSS licenses approximately 40,000 child care facilities in California. CDSS ensures that these facilities meet Health and Safety Code (H&SC) requirements and regulations by conducting over 34,000 inspections and investigating over 14,000 complaints annually. A comprehensive set of data systems is needed to support appropriate monitoring and technical assistance. However, the existing data systems [i.e., Field Automation System (FAS), Licensing Information System (LIS), Caregiver Background Check (CBC), Administrator Certification System, Home Care Services System, Incident and Death Reporting System, and Legal Case Tracking] were developed decades ago. CDSS is currently in the planning phases to modernize these systems and develop the CDSS Facility Management System (FMS).

FMS is envisioned as a modern cloud-based solution providing immediate access to real-time data, including intelligent data analytics capabilities. This system will improve CDSS' capacity to support and monitor licensed facilities and integrate with the system that results from the SVH effort. This integration will enhance CDSS' state level reporting capacity to draw connections between observations and trends at both the consumer and facility level.

Preschool Development Grant Birth through Five Renewal (PDG-R)

In December 2019, California was awarded a competitive grant, the PDG-R, by the Federal Health and Human Services, ACF, Office of Child Care. The objective of the PDG-R funds is to strengthen California's integrated child care and development system to prepare low-income and disadvantaged children to enter kindergarten and improve their transitions across early childhood into the early elementary school grades. In addition, CDSS is focused on maximizing parent and caregiver knowledge, choice, and engagement pertaining to child care and development. CDSS' goal is to leverage the SVH to create a comprehensive data sharing system that incorporates internal and external data sources. This centralization of child care and development data will enable CDSS to develop and coordinate the connection of various consumer education and content management portals. CDSS intends to launch a suite of tools so that parents, caregivers, agencies, researchers, and the State have access to the same information on quality child care.

Through this effort, CDSS has also been tasked with conducting foundational work and assessment to facilitate unique identifier concepts. This task will lead California in the direction of a cradle-to-career longitudinal viewpoint of individuals' interaction with state- run programs.

Other Efforts

CDSS is also engaged in many other efforts to modernize statewide data systems. CDSS is a primary sponsor of the California Statewide Automated Welfare System (CalSAWS) project, which will be a single, statewide automated and integrated eligibility and case management system that supports key public assistance programs on a cloud-hosted architecture. CDSS is also a primary sponsor of the modernization of the Child Welfare Services/Case Management System (CWS/CMS) system. This system is used to automate the case management, services planning, and information gathering functions of child welfare services. Once modernization is complete, these systems will play a major role in CDSS' strategy to integrate relevant data about individuals across programs and services.

Data Integration System Proof of Concept

CDSS and CHHS were recently presented with an opportunity to test the effectiveness of an integrated data system during the COVID-19 pandemic. In March of 2020, almost a quarter of the 40,000 licensed child care facilities in California closed due to the pandemic. A partnership was formed with Children's Data Network (CDN) and OpenLattice Inc. Both CDN and OpenLattice were under contract with CHHS for the Research Data Hub (RDH) pilot project, which is an effort similar to what CDSS aims to develop for the SVH.

The RDH was leveraged as a centralized location for data to flow from internal CDSS data systems such as LIS, and external sources like the MyChildCarePlan database and the CHHS Open Data Portal. Data is cleaned, merged, and processed to create a singular dataset of all open child care facilities in California. The singular dataset is referenced via API by a consumer education website, MyChildcare.ca.gov.

MyChildcare.ca.gov is a public map-based web application that allows a user to search for all open licensed child care facilities in a certain area and gain vital information about that facility. The application facilitates family access to child care in the following ways:

- Access to licensing data;
- Public program data;
- Local R&R data integration in a central location;
- Licensed and licensed-exempt child care and development workforce information to meet diverse child care needs;
- Child care type, location, vacancies, capacity, student-to-teacher ratio, hours of care, costs, specialties (curriculum, languages offered, children with special needs);
- Quality of care information will be provided when available;
- Updates with close to real-time frequency in response to emergencies;
- Geographic features to assist planning for transportation and time to/from home/workplace; and
- Multiple languages available.

The application was designed to include information about child care and other public assistance programs to increase applications and program participation. This tool has the possibility to allow families to jointly apply for CDSS programs, check application, recertification status, and receive reminders. Stakeholders, specifically parents, guardians, and caregivers, are a critical source of input used to inform the design, promotion, and evolution of MyChildcare.ca.gov.

6. CHILD AND ADULT CARE FOOD PROGRAM – CONTINUITY OF OPERATIONS, SERVICES AND PARTNERSHIPS

The Child and Adult Care Food Program (CACFP) is a federal program funded by the US Department of Agriculture (USDA) that enhances the health and wellbeing of program participants by providing reimbursement for nutritious meals and snacks served to eligible children and adults in:

- Adult day care;
- At-risk after school care;
- Child care centers and family child care homes; and
- Emergency shelters.

The USDA approved the waiver authorizing the transfer of CACFP from CDE to CDSS effective July 1, 2021. The CACFP program, alongside other child care and development programs, helps support access to nutritious meals in child care, which is a critical element of quality care. Nutrition is an important part of a child's development that can have long-lasting impacts, making it a key tenet of the whole-child/whole-family approach. Meals served by participating institutions and homes must meet minimum guidelines set by the USDA. In 2018-2019, CDE had 1,432 program operators across 30,692 sites and served 219,822,220 meals. To support CACFP-eligible children and adults in care settings having access to nutritious foods and a supportive environment that fosters positive mealtime experiences, CDE and CDSS are working closely for a seamless transition of services that include policy, payments, contract provider agreements, and technical assistance and monitoring systems.

Sponsor Agreements and Service Contracts

CDSS and CDE are working closely together to foster a successful transition of CACFP sponsor agreements (SAs) and service contracts to CDSS. CACFP is federally mandated to have SAs that incorporate federal regulations and are annually updated to provide the oversight of State agency authority to reimburse sponsors for healthy meals and snacks. There are also various service contracts with a number of contractors, including APPs, who support CACFP administration at the state level and quality services at the local level.

In order to approve a sponsor to operate and receive reimbursements for meals served in the CACFP, the CDE, depending on the type of sponsor, must use one of four types of SAs. CDE worked with the USDA to implement a multi-phased SA amendment plan whereby the SAs will be reviewed and revised by CDE and CDSS to make sure they are structured in a way that facilitates the transition to CDSS and provides continuity to contract implementation, which is particularly important considering the SAs are established for each federal fiscal year and do not align with the July 1st transition deadline. CDSS and CDE will work together to determine whether certain specific services may stay at CDE beyond July 1st. Ongoing conversations will occur as we continue to work through these details with the ultimate goal of simplifying and streamlining contracts and SAs once CACFP fully transitions to CDSS.

CDE developed and provided to CDSS a document that details information about the six current CACFP service contracts, including bid details, contract periods, amounts, and purpose. To date, conversations on this topic have focused on CDSS gaining an

understanding of the contracts it will uphold to maintain both partnerships and continuity of services.

Payments

CDSS will work with CDE to ensure that there is no disruption of payments to program operators for meals served. CDSS will accomplish this through working with CDE to identify an electronic payment system, transfer information, and address modifications to current processes. Federal funds, which primarily fund CACFP, are part of an entitlement structure that require ongoing monitoring and oversight. CDSS, in partnership with CDE, will continue to evaluate all options available for achieving mid/long-term goals of continuing to ensure uninterrupted payments to program operators.

Monitoring and Technical Assistance

With the goal of reducing administrative duplication, CDSS will identify potential overlaps in compliance review between CACFP and other nutrition services in order to minimize the impacts of reviews for contractors and lower review costs. CDSS will follow the mandated Administrative Review (AR) training, serious deficiency and national disqualification processes outlined in Title 7, Code of Federal Regulations (7 CFR) Part 226, and be responsible for reviewing sufficient financial information, management practices, and internal controls to determine if each CACFP applicant is financially viable and can operate the program in accordance with federal standards. Once program operators are established in the system, CDSS will consolidate efforts for technical assistance and program operational training. Also, federal reporting procedures in accordance with FNS-44 and FNS-777 will be maintained. Additional conversations will be scheduled to discuss audit and administrative review status and other audit concerns within the program.

Workforce

CDSS will integrate CACFP staff into the CDSS organization to best align and accomplish the delivery of nutrition in child care and development programs. Given synergies with other significant food and nutrition-related programs operated by CDSS, this means that a number of CACFP staff will be located within CDSS' Family Engagement and Empowerment Division which currently hosts the CalFresh & Nutrition Branch.

IT Platform

CDSS will maintain continued coordination and collaboration with CDE to determine IT solutions to address all CACFP training that will allow continuity for program operators and staff during the transition. The goal is to design a platform that will allow inter-child nutrition program communication. In addition to in-person training, CDE offers online trainings through the Supplemental Nutrition Assistance Program (SNAP) survey platform and other web-based videos. The Child Nutrition Information and Payment System (CNIPS) is used to track contractor completion of training, as well as a tool for annual updates, new sponsor onboarding, budget approvals, and claims for meal reimbursements. CNIPS is a tightly integrated system that is used to support several federal nutrition programs that are not moving to CDSS. CDSS will work with CDE to transfer programmatic data and ensure that the ability to record contractor performance and report during federal reviews is not impaired.

7. ALIGNMENT WITH RECOMMENDATIONS FROM THE MASTER PLAN FOR EARLY LEARNING AND CARE (MASTER PLAN)

Services and Partnerships that Support Recommendations from the Master Plan During the Transition

The Master Plan was released in December 2020 and provides recommendations that create a comprehensive, family-centric system driven by equity. The plan aims to:

- Unify programs for infants and toddlers;
- Increase access and eligibility across programs, services and benefits, such as Paid Family Leave;
- Provide universal preschool;
- Build a competency-based licensure and workforce development system;
- Implement funding reform to increase access and sustain a high-quality workforce;
- Support shared services networks to help providers thrive; and
- Implement data sharing and coordination to advance equity, efficiency and continuous improvement.

The Master Plan is organized by four goals:

1. Programs
2. Workforce
3. Funding
4. Governance and Administration

Through these efforts, CDSS recognizes the following as priorities that align with the Master Plan:

1. Programs

The Master Plan aims to unify and strengthen programs and services to support children's learning and development. The transfer of programs from CDE to CDSS takes significant steps toward this end. In addition, the Master Plan outlines opportunities to streamline family eligibility and enrollment across programs for an equitable and seamless experience for families. Alignment in this area of the Master Plan is outlined under the "Governance and Administration" goal below.

The Master Plan provides that, "Parent-child bonding is critical to healthy early development and long-term outcomes for the child and family," and outlines strategies related to Paid Family Leave (PFL). In 2019, the Administration convened a Paid Family Leave Task Force, bringing together members of the Legislature, business, worker, and early learning communities, to provide policy recommendations to expand California's PFL program. Subsequently, Governor Newsom and the Legislature expanded California's PFL from six to eight weeks for each parent or caretaker of a newborn child, on top of the existing six to eight weeks of paid pregnancy disability leave already provided to birth mothers in California since the 1970s, allowing many children to benefit from as many as five months of critical bonding time with their parents. This brought California closer to the goal of six months of paid family leave, helping more workers, especially lower-wage workers who pay

into the system, access to critical benefits. In 2020, Governor Newsom and the Legislature raised the wage replacement level to ensure that low- wage workers received PFL payments equal to their wages. CDSS will continue to look for ways to promote more families accessing the existing PFL program and to identify additional policies to support parent-child bonding.

The final strategy under the Programs goal of the Master Plan aims to ensure, “equitable treatment of all children, including DLLs and children with disabilities, and eliminate bias through practices and training.” CDSS is committed to furthering this strategy as most recently demonstrated by the establishment of the Office of Equity (OOE) in 2019, and the new Research, Automation, and Data Division (RADD) under the leadership of the new Chief Data Strategist position established in early 2020. The OOE was established to reflect CDSS’ and the Administration’s core values and commitment to equitably serve all Californians. It is grounded in the understanding that in order to achieve equity it is necessary to examine history, present and future and understand the structural and systemic barriers that deny access and opportunity for those marginalized members of our communities. Through the OOE, CDSS will both continue to support the great work already underway at CDE and elevate it by fostering increased collaboration across the Department, CHHS, and partners to increase access and improve outcomes.

In addition, CDSS created a Chief Data Strategist position to lead the new RADD team. RADD reflects CDSS’ and CHHS’ increasing focus on a human-centered, data-driven approach to services. This shift includes a greater emphasis on program improvement and data-driven policy decision making through an equity lens.

2. Workforce

The Master Plan outlines strategies to support children's learning and development by enhancing educator competence, incentivizing and funding career pathways, and implementing supportive program standards. CDSS will prioritize workforce strategies from the Master Plan and specifically focus on these priorities identified by stakeholders:

- Incentivize and support a professional learning system through flexible and responsive strategies built with and for the diverse workforce;
- Expand access to responsive, engaging, culturally inclusive content in multiple languages that is designed to support professionals’ daily needs across the mixed delivery system, including home-based settings;
- Expand pathways for professionals in all settings for equitable career advancement;
- Establish and sustain supports for workforce development; and
- Revise and streamline workforce standards and associated monitoring processes while avoiding unnecessary duplication.

The BRC Report also outlines recommendations that align with the Master Plan and break down barriers to opportunities for in-home child care. As a part of workforce and quality standards, the report includes nine recommendations. CDSS recognizes the following information pulled directly from the BRC Report as opportunities for potential program enhancements that align with the Master Plan:

- **Racial equity in the workforce:** Leverage home-based care with its diverse workforce as an asset in early childhood education and peer mentoring programs, and provide appropriate training and support.
- **Quality and incentives:** Develop guidelines and provide incentives for licensed family child care homes who wish to specialize in caring for infants and toddlers by establishing a specialized reimbursement rate for those with demonstrated experience and specialized training to serve two infants alone or four with an assistant.
- **Expand support for and participation in Family Child Care Home Education Networks (FCCHENs):** Expand quality care options for families. FCCHENs are one option to create a system of ongoing support to improve quality and support the workforce.
- **Access:** Ensure the State's policies encourage the availability of child care and do not create barriers that keep family child care homes and child care centers from opening and staying open. This could include strategies like:
 - Make large family child care homes a residential use of property, like small family child care homes, to eliminate burdensome and costly zoning permits.
 - Make child care more available in urban cities and to families living in more affordable housing by ensuring large family child care homes can open in apartments, townhomes and condominiums.
 - Strengthen housing protections for family child care providers battling discrimination and wrongful eviction.
 - Review regulations that create barriers for family preferences and choice – for example a grandmother living in the home cannot receive payment when that may be the family's preferred care.

Stakeholder input will again be a critical strategy to ensuring the design and implementation of workforce efforts that are responsive to and supportive of the essential professionals that are providing critical services every day to children, families, and communities.

3. Funding

The Master Plan recommends a shift from the current reimbursement models to a tiered reimbursement model unifying the system to better align and reflect the cost of providing child care and development services to an increasingly diverse population. The Master Plan also recommends adding a sliding scale fee to support access and continuity of care by allowing children to remain with a care provider regardless of a change in the family's income. It outlines the development of a phase-in plan for the fee structure that uses existing eligibility references (e.g., state median income, poverty, and/or percent of family income) as initial guideposts.

There are several proposals developed to reform the current reimbursement rate systems, including the: Rate Reform Work Group (November 2018), Poverty Task Force (November 2018), BRC Report (April 2019), and Preschool Development Grant Strategic Plan (October 2019). And as mentioned previously, CCPU has been established in California and requires the Governor, through CalHR or the Governor's designee, to confer in good faith with CCPU on all matters within the scope of representation, including payment and payment

reporting procedures for state-funded early care and education programs and reimbursement rates.

Stakeholders have asked that payment policies be reviewed and revised, utilizing a justice and equity lens, and that the reimbursement rates cover the costs of providing care. Also highlighted are the need for all providers, including FFN providers, to be equitably compensated.

In conjunction with the Master Plan, families also have asked for an evaluation of the value of family fees through a family and provider lens. Stakeholders have expressed concerns that family fees place undue stress on the budget of a family with low-income and are financially burdensome for many child care providers who accept a reduced payment because they know parents are unable to pay.

Additionally, stakeholders have endorsed the elimination of family fees and supported consideration of parents' ability to use those funds for other necessities such as utilities, rent, food, and saving any extra money to support long-term goals such as increasing economic security.

4. Governance and Administration

The Master Plan recommends removing barriers to services by **streamlining** eligibility. Child or family eligibility for one program should allow for broader eligibility across programs that share similar eligibility criteria. This is consistent with what families have shared about their desire to complete one form to confirm eligibility and enrollment into multiple programs and would reduce administrative burden for families and program administrators. Accordingly, CDSS will:

- **Implement a Statewide Verification Hub (SVH):** The SVH, as referenced above, is a California Health and Human Services (CHHS) agency-sponsored IT solution that will improve California families' access to services by streamlining the verification process for CHHS programs, while preserving Californians' privacy and security.

The IT solution is one element of a broader human-centered design initiative that analyzes verification policy across programs in order to identify opportunities for business process reengineering, cross program policy alignment, and prospective data sources to streamline existing Income Eligibility Verification Systems (IEVS) data match processes. This multi-departmental effort has executive sponsorship from CDSS, the Department of Health Care Services (DHCS), and CHHS which unites program leadership under the common goal of providing fast and accurate verification data needed to inform eligibility determinations for means tested programs.

Stakeholder engagement and end-user input are cornerstones when developing a human-centered designed product. The SVH project builds upon a responsive stakeholder engagement approach and research initiated by Social Interest Solutions (SIS), also known as Alluma, resulting in the 2018 State Hub Roadmap. The SVH project engages with stakeholders and end-users interactively throughout the SVH project's

lifecycle. End-users, including consumers, clients, advocates, county eligibility workers, and State staff, are consulted to inform project direction.

The SVH project will also review existing regulations that require the authorization of contractors to contact parent employers and identify alternative income verification processes. Parents have raised that regulations requiring parents to provide signed authorization for a contractor to speak with their employers to verify employment is paternalistic, a violation of privacy, and can be humiliating.

- **Improve accessibility:** CDSS will take specific steps to improve accessibility, as informed by the BRC Report. For example, highlights from one of its parent focus groups included: “There should be a cultural connection to help us to understand. Maybe somebody could work with us and explain the systems – that would help. It’s different for somebody who lives here or who is born here, even if they speak Spanish” (page 41). It further states, “We should invest in Resource and Referral and other community-based organizations to address the specific needs of immigrant families including access to cultural translators specific to the immigrant experience”(page 42). CDSS will explore opportunities to improve accessibility by:
 - Supporting virtual or telephone platforms for accessing and maintaining child care and development services such as applications, hearings, and submitting time sheets.
 - Allow for online or telephone communication for both parents and providers supporting continuity of care for children while ensuring timely reimbursement for child care providers. The BRC Report, in addition to the Master Plan, aligns with this recommendation: “The State should increase support for local programs serving all FFN providers including community hubs, library programs, online apps and mobile-based resources.” It also recommends that a child care application and eligibility and consumer information for parents be available online.
 - Create laws, regulations, and sub-regulatory guidance to implement the above recommendations. CDSS recognizes that parents, the childcare and development workforce, and other child care/early childhood education advocates must be part of the process of revising the above-recommended state laws and regulations as part of broader efforts through development of the transition long-term policy plan.
 - Identify strategies to responsively meet the needs of particularly high-risk groups. Specifically, the Master Plan recommends providing, “extended periods of child care assistance to high-risk groups when they transition out of the status that made them eligible initially, including children who have been system-involved, in foster care, who have lived in persistent poverty, or who have experienced homelessness.”

CDSS has received considerable feedback from stakeholders for implementing these improvements, including:

- Ensuring all applications and documents are written in plain language and are readable for those with lower levels of literacy.
 - Ensuring all forms and information requested are gender neutral and inclusive of LGBTQIA+ families, as recommended in the BRC Report.
 - Ensuring all requirements and consumer information are translated and interpreted into the threshold languages as required by the California Dymally-Alatorre Bilingual Services Act.
 - Providing interpretation services at meetings and hearings for families who would like information provided in a language other than English.
 - Allowing for virtual, online or telephone communication for both parents and programs.
 - Aligning CDSS and CDE regulations to the benefit of families (e.g., relating to providers living in the home) and administrators (e.g., contractual and reporting requirements).
- **Modify Provider Payment Policies to More Efficiently Pay Providers:** While private pay families pay for child care prior to receiving care, child care providers who serve families receiving child care subsidies are reimbursed for the care provided after it has already taken place. Child care providers have shared that getting paid for a month of care or in some cases longer *after* care has been provided is extremely burdensome. CDSS will review CAPP funding terms and conditions with the intent to improve the timeliness of child care provider payments. This responds to recommendations from child care providers and aligns with the Master Plan's broad proposals to support equity in care and may encourage child care providers to remain in the field and accept more families utilizing child care subsidy vouchers.

As outlined in multiple sections of this report, CDSS is committed to creating a statewide data system that integrates data in ways that will help families navigate care and learning options and also reduce redundant requests of providers.

8. BUDGET/FISCAL OUTLOOK IN RESPONSE TO THE COVID-19 PANDEMIC

Continuation of Funding to Support Responses to the COVID-19 Pandemic

Through the transition, CDSS and CDE recognize that the need to provide child care to working families is essential as the State continues to respond to the COVID-19 pandemic. CDSS and CDE have worked closely with stakeholders to ensure that concerns and needs are addressed and elevated through the stakeholder engagement process. Major themes around immediate need for families and child care programs have emerged throughout the stakeholder process.

From the start of the pandemic, the Administration has prioritized supporting the child care and development workforce to preserve the existing system as well as add investments to improve and expand it. To date, these supports have included:

- Additional access to subsidized child care for children of essential workers;
- Stipends for child care providers;
- A funding hold harmless for child care direct-contract programs who have to close for health and safety reasons
- Paid nonoperational days when voucher-based programs have to close due to COVID-related reasons;
- Provider reimbursement based on attendance rather than enrollment for all voucher programs;
- Family fee waivers for all families through August 31, 2020, with additional fee waivers for families eligible for, but not receiving, in-person care due to COVID-19, through June 30, 2021.
- The provision of \$110 million in reimbursement for the cost of waived family fees;
- The extension of the length of care for children of essential workers with emergency vouchers, and
- Assistance to providers to maintain being open during the pandemic.

Much work needs to be done to rebuild a system impacted by the pandemic. CDSS will explore additional areas of support to expedite licensing, accommodate linguistic and equity issues, and accommodate on-line training opportunities.

Further, the federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) passed in late December included approximately \$1 billion in funding for California's child care programs. Assembly Bill (AB) 82 (Chapter 6, Statutes of 2021), allocated \$402 million of this CRRSA funding to support the following:

- Extending child care vouchers for children of essential workers, at-risk children, and children with disabilities or special health care needs;
- Creating new emergency child care vouchers for children of essential workers, at-risk children, and children with disabilities or special health care needs;
- Per-child stipends for subsidized child care providers to reopen, stabilize and increase capacity for subsidized services;
- Increased number of paid nonoperational days for COVID-related closures;

The 2021-22 Governor's Budget Proposal focuses on avoiding further loss in the child care and development system and builds on the recommendations made in the Master Plan. In addition, CDSS recognizes the need to address barriers to access and has been engaging with parent advocacy groups and other stakeholders. Further, as a result of a tentative agreement reached between the State of California and the CCPU, a workgroup consisting of State and CCPU representatives has been established to discuss uses for the remaining CRRSA funding to address COVID-19 pandemic needs and network preservation, which may include CCDF-eligible providers not participating in the subsidy system prior to the COVID-19 public health emergency. This workgroup will develop an agreement between the parties regarding COVID-19 support and recovery to be proposed for inclusion in the May Revision of the 2021-22 State Budget.

CONCLUSION

This transition plan outlines the framework under which CDSS and CDE are working to realize the vision of an integrated, coordinated child care and development system designed to equitably serve California's children and families, while intentionally supporting their needs simultaneously in an effort to stimulate a legacy of resilience and security for current and future generations. To be successful, California's system of child care and development programs must address inequities and disproportionalities; and in disrupting poverty, must employ approaches to services that address the needs of the whole-child and whole-family together. Although the work continues and many decisions remain to be made, this transition continues to move forward as planned and as detailed in this report. The transition plan constitutes the foundation for integrated, high-quality child care and development programs and services that are designed to meet the needs of children and families, as well as the needs of the child care and development workforce who administers and operationalizes those programs and services that provide care for supports for California's children and families. While this plan reflects many of the elements included in the transition efforts, many additional details and updates will also be provided over the coming months. CDSS will continue to update stakeholders on the transition through the Quarterly Transition Reports, as required in statute, which are shared with the Legislature and ECPC and are posted on our transition focused website. CDSS will also submit the fourth quarterly report prior to July 1 to share additional details and progress prior to the July 1, 2021 transition effective date.

For more information and to ensure you are included in announcements related to upcoming stakeholder engagement opportunities or report releases, please email us at cctransition@dss.ca.gov. Thank you for your engagement in this transition process.