



California Early Care and Education Programs

CHILD DEVELOPMENT DIVISION

STATE CHILD CARE AND DEVELOPMENT PROGRAMS

The Child Development Division of the California Department of Education provides child care and development services for children through age 12 in low-income families and those at risk of abuse or neglect. The dual purpose of these programs is to (1) assist in the growth and development of children including preparation for entering school, and (2) help parents achieve financial stability through employment or education. These services are in addition to those available to welfare recipients (see *CalWORKs*). The priority placement for 11- and 12-year-old children is in an after school program, either an After School Education and Safety Program or a 21st Century Community Learning Center Program. However, families may receive a subsidy if the after school program does not meet the needs of the family.

Since 1943 when government-funded child care centers were established to allow women to work in industry as a result of World War II, several different program types have evolved to meet the differing needs of California families. Operational requirements for these programs are included in Title 5 of the California Code of Regulations. Title 22 provides licensing regulations for all community care facilities. (our *Child Care Staffing Ratios and Qualifications* publication details both sets of regulations).

State Preschool programs are available to children whose families' adjusted monthly income is at or below 70% of the state median income (\$3,932 per month for a family of three for fiscal year 2013-14, 2007-08 SMI) without a requirement that they establish need. After all eligible 3- and 4-year-olds have been enrolled, up to 10% of children can be from families with incomes no more than 15% above the eligibility threshold. They offer a part-day comprehensive educational, health, and social service program for 3- and 4-year-olds from low-income families. Many programs are bilingual due to the large number of limited-English speaking families served. Public schools and private non-profit agencies operate State Preschool programs. Qualifying school districts often augment their state preschool program with federal compensatory education funds (allocated to school districts with a high proportion of welfare-eligible families whose children are performing below grade level) or may combine with Head Start to provide full-day programs. An estimated 181,052 children received subsidized State Preschool in 2012-2013.

Income and need eligibility criteria for other Department of Education child care subsidies are as follows:

- *Income* must be at or below 70% of the state median (\$3,932 per month for a family of three in 2013-14, 2007-08 SMI). Families are assessed a sliding-scale fee based upon a schedule developed by the Department of Education (families below approximately 40% of the median do not pay fees).
- *Need* for child care may be based on parental employment, enrollment in school or a job training program, or incapacity. An estimated 215,659 children received other subsidies for child care in 2012-13. Priority is given to neglected or abused children who are receiving child protective services, or who are at risk upon written referral from a legal, medical or social service agency. Eligibility based on a referral for risk of abuse is limited to 3 months unless county welfare agencies certify continuing need, in which case eligibility is limited to 12 months. Contracted centers are paid for services based on the Standard Reimbursement Rate. Children with exceptional needs may receive subsidized services in any program type. Their care is reimbursed at a higher rate to help programs accommodate their unique needs.

General Child Care and Development programs provide a wide range of services for many low-income children, primarily from working families. Services are provided for infants through 12-year-old children, and older children with exceptional needs, from under four hours (half-time) to more than

10 hours per day (full-time plus), five days a week, throughout the year. All programs provide an educational environment for children with age-appropriate developmental activities, nutrition, health screening, parent education, staff development, and referrals to social services. There are several program subtypes:

- *Public School Programs* were the first type of child care subsidized in California and are located on public school sites. These programs are operated by school districts and county offices of education or subcontracted to non-profit agencies or other providers. School-age centers operated by school districts are license-exempt. Some programs use family child care homes in conjunction with their centers.
- *Community Programs* provide the same services as public school programs but are contracted through other public agencies or private and nonprofit providers. Other providers include cities, universities, and local community action organizations.
- *Family Child Care Education Networks* are groups of family child care homes operating under a sponsoring agency. The sponsor must have staff trained in child development and provide consultation, training, resource materials, and support services to family child care providers and enrolled families.
- *Campus Child Care Programs* primarily serve children of students attending one of the California Community Colleges, California State Universities, or the University of California. These programs are located on or near campus and may give priority to children of students

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CHILD CARE FUNDING (2014-15)

STATE CHILD CARE & DEVELOPMENT:		Health & Safety Rqrmts	\$ 0.5 M
General Child Care	\$ 308.8 M	STATE SUBTOTAL	\$ 465.0 M
State Preschool	\$ 664.4 M	FEDERAL CONTRIBUTIONS (TANF & CCDF)	
Alternative Payment	\$ 37.5 M	Stage 1 (includes Cal-Learn)	\$ 338.6 M
Migrant Child Care	\$ 22.1 M	Stage 2	\$ 10.0 M
Resource & Referral Programs	\$ 18.7 M	Stage 3	\$ 136.5 M
Quality Services	\$ 1.5 M	Health & Safety Requirements	\$ 4.5 M
Other	\$ 1.8 M	FEDERAL SUBTOTAL	\$ 489.6 M
STATE SUBTOTAL	\$ 1,054.8 M	TOTAL CalWORKs	\$ 954.6 M
FEDERAL CONTRIBUTIONS (CCDF):		FEDERAL PROGRAMS (2013-14)	
General Child Care	\$ 235.1 M	Head Start	\$ 835.6 M
Alternative Payment	\$ 144.8 M	Early Head Start	\$ 148.8 M
Migrant Child Care	\$ 5.4 M	OTHER STATE PROGRAMS	
Quality Improvement	\$ 48.3 M	21st Century Comm. Learning	\$ 158.3 M
FEDERAL SUBTOTAL	\$ 433.6 M	After School Education & Safety	\$ 546.9 M
TOTAL CHILD CARE & DEV.	\$ 1,488.4 M	California First 5	\$ 460.3 M
STATE CalWORKs CHILD CARE		Community Colleges CARE	\$ 9.3 M
Stage 1 (includes Cal-Learn)	\$ 27.5 M	Campus Tax Bailout	\$ 3.4 M
Stage 2	\$ 344.5 M	Special Education	\$ 99.1 M
Stage 3	\$ 83.3 M	Child Care Food Program	\$ 408.0 M
Community College	\$ 9.2 M		

that meet the eligibility criteria. Many campus programs also provide training for students in early childhood education, including participation in observation or practical educational experiences required as part of the students' coursework. Programs are operated by college administrations and student associations.

Severely Handicapped programs provide supervision, care, therapy, youth guidance, and parental counseling to families who have children with severe disabilities. Services are provided until the children reach age 21. The only subsidized child care centers in California are in the San Francisco Bay Area. No fees are charged. Recipients of these services are required to have an individual education plan (IEP) or an indi-

vidualized family service plan (IFSP) issued through a special education program.

Migrant Child Care is available in state-owned migrant housing camps and in out-of-camp facilities during peak agricultural periods for the families of agricultural workers. Migrant programs provide bilingual support services to families and referrals to appropriate medical services in addition to child care and development services. County offices of education, school districts, and non-profit agencies operate these centers. Migrant families may also receive services through the Migrant Alternative Payment Network in Central Valley counties. This program allows families to receive subsidized services in a variety of programs as they move to different geographic areas in pursuit of work.

Alternative Payment programs subsidize child care provided primarily in private child care settings, including child care centers, family child care homes, and in-home care. Subsidies may be made directly to the chosen child care provider if they are eligible or may be issued to the parent as a 'voucher.' Programs may not charge more for subsidized children than they charge families with unsubsidized children. Surveys of rates charged by licensed child care providers are to be completed at least once every two years and determine the distribution of rates for child care and development services for different ages of children and different amounts of care (full-time monthly and weekly, part-time monthly and weekly, daily, and hourly). As of 1 January 2015, the maximum payment is limited by Regional Market Rate ceilings established at either the

OTHER STATE PROGRAMS

The 21st Century Community Learning Centers and 21st Century High School After School Safety and Enrichment for Teens program provides 5-year grants to establish and expand before- and after-school programs, with a priority for those that serve students that attend schools with a high proportion of welfare-eligible families whose children are performing below grade level. Programs include academic enrichment opportunities and supportive services that will help students meet state and local standards. Grants for high school programs are made through a competitive process. Grants for elementary and middle school programs are to complement After School Education and Safety programs. In 2013-14, 21st Century programs served 56,413 students.

After School Education and Safety (ASES) programs provide before and after school enrichment programs to pupils in grades K-9. Before school components must operate for at least 1.5 hours a day. The after school program operates for a minimum of 1.5 hours a day and up to 2 hours each day (unless the circumstances of the school warrant an exception). The after school program operates for a minimum of 15 hours per week until 6:00 p.m. each day, beginning immediately at the end of the regular school day. A nutritious snack is required to be provided daily. Staff must obtain criminal background clearances and meet the minimum qualifications of an 'instructional aide' for the school district. There may not be more than 20 students per staff person. Programs receive \$7.50/child for after school programs and up to \$5.00/child for before school programs. Because of the passage of Proposition 49 in 2002, state funding for ASES programs may not be reduced below \$550 million. In 2013-14, ASES programs served 373,747 students.

Adult Education Parent Participation Cooperative Preschools are adult education programs that teach parents about the development of children and parenting skills through having them participate in a preschool

program with their children. Parents are required to participate one day a week in the preschool program and attend parent education classes, or they may appoint another relative or babysitter to do this or pay extra fees. Programs are supported by a combination of parent fees and adult education funds.

California School Age Families Education (Cal-SAFE) provides comprehensive services to pregnant and parenting students and their children. All Cal-SAFE programs must provide child care and development services to infants and toddlers of teen parents who are working toward their high school diploma. Child care programs must meet Title 22 licensing regulations. No parent fees are charged. Cal-SAFE programs are now funded through the local control funding formula at the discretion of school districts.

California First 5 Commissions are funded through a 50¢/pack tax on cigarettes and other tobacco products passed by the voters as Proposition 10 in 1998. County commissions receive 80% of the funds for support and improvement of early childhood development, including child health, parental education, child abuse prevention, infant care, social services, community awareness, community education, and research. The state commission provides guidelines to the county commissions and allocates 6% of the total funds for mass media communications, 5% for parent education, 3% for child care, 3% for research and development, 2% unallocated, and 1% for administration. Projects funded by California First 5 include Child Signature Program, a school readiness program that works to enhance the quality of care and education that children receive, and the Comprehensive Approaches to Raising Education Standards (CARES) Plus program.

California State University (CSU) provides support for child care centers operated by CSU auxiliaries and for campus "lab schools." Funds come from student services fees assessed on each student. Each of the 23

campuses may choose to allocate a different amount for such services.

Cooperative Agency Resources for Education (CARE) programs provide child care and other support services to parents receiving welfare whom are enrolled in community college programs. They coordinate with county CalWORKs services to avoid duplication. Administered by the Chancellor's Office of Community Colleges, CARE served 6,169 students and their children through 112 CARE programs in all 72 community college districts in California in 2013-14.

Special Education Preschool opportunities must be available through school districts for children with disabilities between the ages of 3 and 5. Where possible, children are to receive services in typical child care settings. If necessary, support services may be provided to children in conjunction with regular child care. In addition to developing the physical, cognitive, social, and emotional abilities of children with disabilities, special education preschool is also designed to reduce the impact of disabling conditions on children's development and education. As of January 2015, with funding through the federal Individuals with Disabilities Education Act, 48,305 preschoolers received early special education services for the 2013-14 school year.

Child Care Food Programs (CCFP) help defray the cost of meals provided to children in preschool programs, child care centers, and family child care homes. A differential reimbursement system has been instituted for family child care homes. If the provider qualifies as low-income or the home is located in a designated low-income area, the provider may receive the higher reimbursement rate for all children served. Other homes may receive a lower rate of reimbursement for all children or receive a mixed rate based on the number of low-income children served. In 2012-13, the CCFP provided meals on average to 455,579 children per day at 23,696 sites in California.

85th percentile of the 2009 regional market rate survey for that region reduced by 10.11%, or the 85th percentile of the 2005 regional market rate survey for that region – whichever is greater. Unlicensed in-home care is limited to 60% of the maximum family child care home rate for each region. Many resource and referral and alternative payment programs are operated by the same agency.

Alternative Payment agencies in each county are authorized to design, maintain, and administer a countywide Centralized Eligibility List (CEL) though the state is no longer providing funding to maintain the CELs. In some counties, CELs are administered by local planning councils.

- *Respite Care* is short-term child care for families in crisis. Children must have a referral from a professional for actual or potential neglect, abuse, exploitation, or homelessness; respite care is also provided for parents who would be unable without assistance to provide the normal care and nurture expected of parents, or for parents with exceptional needs children to provide temporary relief.

Resource & Referral programs provide information and referral services to anyone in need of child care, regardless of income level. Referrals are made to all types of child care, public and private. Agencies also provide support services to local child care providers, and may also operate alternative payment programs. They work to improve the quality of services offered by providing

training and resources. Every county in California has at least one resource and referral agency. The California Child Care Resource and Referral Network produces a biennial Child Care Portfolio that documents the need for child care throughout the state.

FEDERAL CHILD CARE AND DEVELOPMENT FUND

The California Department of Education is the lead state agency for federal child care funding and administers the Child Care and Development Fund (CCDF). The state has transferred federal Temporary Assistance for Needy Families (TANF - welfare) funding to the California Department of Education for the operation of CalWORKs Stage 2 Child Care. These transferred funds take on the requirements of the CCDF as well.

The Child Care and Development Block Grant was reauthorized on November 19, 2014 representing a re-envisioning of the program. It made advancements such as defining health and safety requirements for child care providers, outlining family-friendly policies, and ensuring the availability of transparent information. The law's goals are to protect the health and safety of children in child care, aid families' access to child care assistance, and improve the quality of child care. This national child development program provides block grants to the states to improve the affordability, availability, and quality of child care for low-income and welfare-eligible families. States

must spend their allocation as follows:

- 5% cap on administration of the child development programs by the California Department of Education;
- at least 7% of funds spent on quality improvement activities in the first two fiscal years after enactment, 8% for the third and fourth fiscal years, and 9% for the fifth and sixth. In addition, at least 3% of the funds received before the end of the second year of enactment, and received every subsequent year, must be specifically for the quality improvement of care for infants and toddlers.
- at least 2% set aside for tribes
- at least 70% of the remainder for providing direct services

The federal grant may serve children through grade 12 and with a family income as high as 85% of the state median. If a state does not comply with certain spending requirements, there may be a financial penalty.

Every three years, the State Department of Education must submit a plan to the federal government detailing the use of block grant funds as relevant to the above requirements. California is currently developing their State Plan to be submitted to the federal government by July 1, 2015.

Unless granted waivers, states have two years to put the requirements of the Child Care and Development Block Grant into full effect.

LOCAL CHILD CARE AND DEVELOPMENT PLANNING COUNCILS

Each county has a local child care and development planning council. The councils establish county priorities for the allocation of child care and development funds. They are required to assess the county child care needs at least once every five years and work with child care providers, county agencies and other interested providers to meet the needs. Councils select one or two members to be on a California Department of Education (CDE) team to review and score proposals from outside their geographic area for providing contracted child care services.

Councils coordinate part-day programs (including state preschool and Head Start) so that full-day services are provided. Councils receive funding to improve retention of child care workers in subsidized center-based child care programs based on the county's percentage of statewide subsidies. These funds must be spent according to guidelines established by the CDE; the state provided \$10.75 million in the 2012-13 fiscal year for these programs.

The county board of supervisors and county superintendent of schools each appoint half the members of the planning council. Child care consumers, child care providers, public agency representatives, and community representatives each must comprise 20% of the membership of the planning council. The remaining 20% are appointed at the discretion of the appointing agencies.

LICENSE-EXEMPT CARE

EXEMPT HOMES

Family child care homes that care for the children of only one family other than their own do not need to be licensed.

EXEMPT CENTERS

Some center-based facilities for children are exempt from licensure, though they may have other statutory requirements. Exempt centers include:

- Special education preschool programs.
- School parenting programs.
- School age programs operated by public and private schools.
- Public recreation programs that operate for less than 16 hours a week or for no more than 12 weeks over a 12 month period.
- After School Education and Safety Programs and 21st Century Community Learning Centers Programs that operate no more than 20 hours a week.
- Cooperative child care arrangements of 12 or fewer children involving no payment. All caregivers must be close relatives of a child receiving care.
- Adult education child care programs.
- Temporary care provided while parents are on site, such as for an event - but not for stores or ski facilities.
- A facility administered by the Department for Corrections and Rehabilitation that pro-

vides substance abuse treatment for women and houses them and their children.

INFORMAL CARE

Child care provided by a relative or in a child's own home is exempt from licensure.

TRUSTLINE REGISTRY

The Trustline Registry is a list of license-exempt child care providers who have received a criminal background clearance from the Department of Social Services. This clearance is the same as that required for employees of licensed child care facilities. The registry has cleared 280,952 providers.

License-exempt family child care providers and in-home providers (except grandparents, aunts and uncles) must be 'trustlined' to receive payment through state and federal subsidy programs. The state pays for background checks for these providers. Employment agencies that refer parents to nannies or other exempt child care workers in positions where they will supervise children may not make referrals to anyone who has not been trustlined. These providers and other members of the public may apply for Trustline status for fees ranging from \$135-\$170, including fees paid to the Live Scan site, the CA Department of Justice, and the CA Department of Social Services.

CalWORKs

In 1996, the *Personal Responsibility and Work Opportunity Reconciliation Act* established the *Temporary Assistance for Needy Families (TANF)* state block grant, reforming welfare to include time limits on the receipt of aid and requiring recipients to participate in work-related activities. California implemented federal welfare reform through the *California Work Opportunity and Responsibility for Kids (CalWORKs)* program, beginning in January 1998.

Major Provisions

CalWORKs imposes a 4-year lifetime limit on receipt of welfare grants for adults. Child-only grants may continue after that time. Recipients are limited to 24 months of continuous aid meeting state requirements then must meet more restrictive federal requirements. There may be financial sanctions if recipients do not comply with CalWORKs requirements. CalWORKs participants must develop a welfare-to-work plan within 90 days of establishing eligibility.

Unless exempt, recipients are required to participate in work activities while receiving aid. Welfare-to-Work activities may include unsubsidized employment, subsidized public or private employment, work experience, on-the-job training, supported work or transitional employment, work study, self-employment, community service, adult basic education, job skills training directly related to employment, vocational education and training, job search and job readiness assistance, education directly related to employment, satisfactory progress in secondary school or toward a certificate of general educational development, or mental health, substance abuse, or domestic violence services necessary to obtain and retain employment. After the 24 months, work activities must meet more stringent federal requirements. Single parent families with a child under the age of 6 must participate in 20 hours per week of welfare-to-work activities, other single parent families must participate for 30 hours, and two parent families are required to fulfill a combined 35 hours per week.

Maximum welfare grants are at \$714 per month for a family of three in counties with a high cost of living and \$681 per month in counties with a lower cost-of-living in 2015.

Child Care

CalWORKs requires families to participate in welfare-to-work activities. The time and work requirements create a great need for child care. CalWORKs includes funding for child care through a three-stage system. Generally, payments are made directly to providers through Alternative Payment Programs.

In order to provide continuing child care for CalWORKs recipients, county social services departments are coordinating with resource and referral agencies to find longer-term child care arrangements in the broader

subsidized child care system. County social services departments refer families to resource and referral agencies as soon as the families' child care needs are stable (as determined by the county). Many resource and referral agencies have provided specialists in county social services departments while others have made direct phone lines available for CalWORKs recipients.

CalWORKs child care is available to recipients based on income and need:

- *Income* must be at or below 70% of the state median (\$3,886 per month for a family of three in 2013-14). When the family's income exceeds that level, they are no longer eligible for subsidized child care.
- *Need* for child care includes participation in work, job search, training or approved educational activities.

Programs may not charge more for subsidized children than they charge families with unsubsidized children. Surveys of rates charged by licensed child care providers are to be completed at least once every two years. As of 1 January 2015, the maximum payment is limited by Regional Market Rate ceilings established at either the 85th percentile of the 2009 regional market rate survey for that region reduced by 10.11%, or the 85th percentile of the 2005 regional market rate survey for that region – whichever is greater. Unlicensed in-home care is limited to 60% of the maximum family child care home rate for each region. CalWORKs parents must be informed of their option to choose either licensed or license-exempt care by county welfare agencies and resource and referral agencies.

Stage 1

Stage 1 provides recipients with initial child care while establishing their ongoing child care needs. County social services departments, who may contract with public and private providers to supply services, administer this stage. Of the 58 counties, 11 county welfare departments are themselves Alternative Payment agencies and administer their own programs, and 32 have contracted with Alternative Payment Programs to administer the Stage 1 placements. After six months, or when the family's work activity and child care is determined to be 'stable' and there are available spaces, children are transferred to Stage 2.

If a parent pays a provider for care in their own home, the parent receives reimbursement for those costs as an employer. In those cases, the parent must be informed of their responsibilities as an employer, such as reporting the income of their employee(s) and payment of payroll taxes. Because of employer/employee issues, Alternative Payment Programs will not make payments for this type of care and a small but significant number of children continue to be served in Stage 1 who might otherwise be served through another Stage.

Stage 2

Stage 2 child care assists families while on welfare and engaged in work activities. It provides stable child care for families on aid, enabling them to find other long-term support. Families remain eligible for Stage 1 or 2 child care for up to two years after they stop receiving cash assistance. The California Department of Education (CDE) administers Stage 2 through Alternative Payment Programs and Resource and Referral Agencies. Public and private contractors (including county social services departments) may provide these services.

Stage 3

Stage 3 supports parents as they transition off of aid and provides subsidized care until the family no longer meets the eligibility requirements. Stage 3 enrollment is restricted to former CalWORKs recipients who have reached the end of their two-year eligibility for Stages 1 and 2 or to families who receive a CalWORKs diversion payment. The California Department of Education administers Stage 3 through Alternative Payment Programs and Resource and Referral Agencies. Stage 2 and 3 child care is set aside for current or former welfare recipients, but is otherwise identical to other Alternative Payment Programs.

Community colleges provide CalWORKs child care for recipients involved in their educational programs. The expansion of services is a supplement to current programs at each of the 112 community colleges, many of which are licensed campus-based centers that have contracts with the California Department of Education. Students graduating or ending their educational program may continue to receive CalWORKs child care through the community colleges until the end of the academic year or for 3 months, whichever is greater.

Other Provisions

Pregnant mothers are exempt from work requirements if their condition prevents them from being employed. Parents caring for children under the age of two may receive a one-time exemption from work requirements.

Parents must show proof of immunization of their children. Failure to do so results in a penalty, as the parent remains in the same assistance unit, but their needs are not allowed. For example, if a parent with two children fails to submit verification of immunization without good cause, the assistance unit size remains 3, but the maximum amount paid is for 2.

Resource and referral agencies must provide four referrals including at least one in which the agency has no financial interest.

Cal-Learn Child Care

Cal-Learn is a mandatory program for teen parents receiving CalWORKs (through age 18) who do not have a high school diploma or its equivalent. As long as 19-year-olds

continue to pursue a high school diploma, they may remain in Cal-Learn until they earn a diploma or turn 20 years old. The program provides intensive case management services to address problems and needs, assistance with transportation and child care necessary for school participation, and bonuses and sanctions based upon report card grades.

Adolescent Family Life Program

This program provides case management services in 32 counties to pregnant and parenting females and their male partners (through age 19) who are not already en-

rolled in Cal-Learn. There are no income eligibility requirements for the Adolescent Family Life Program. The goal is to reduce the number of births to teen parents and enable each teenager to complete their schooling. Each teen is assigned a single case manager who assists them in obtaining supportive services and overcoming barriers to obtaining a high school diploma.

Workforce Investment Act

The Workforce Investment Act is a federal program to assist unemployed workers in finding work. The California Employment

Development Department receives federal Workforce Investment Act funds to assist youth, adults, and laid-off workers obtain and keep a job. Training is available to individuals who do not have sufficient job skills. These services are an important part of moving CalWORKs recipients off of welfare and into the workforce. Workforce Investment Boards coordinate with other programs (such as CalWORKs) so that support services (including child care) are provided. Workforce Investment Boards may provide support services if not otherwise available.

TYPES OF LICENSED CHILD CARE

The California Department of Social Services Community Care Licensing Division is responsible for licensing child care centers and family child care homes to ensure that minimum health and safety standards are met (under Title 22 of the California Code of Regulations). Licensing requirements govern admission policies, daily practices and procedures, emergency plans, facility design and structure, outdoor space, equipment, meals, disease prevention, background clearances, staff qualifications, and adult-child ratios.

CHILD CARE CENTERS

California has 14,686 public and private licensed centers, providing space for up to 762,717 children. Except for a few specified types (see *Exempt Centers*), center-based child care and preschool facilities must be licensed.

Types of Licenses

All licensed child care centers must meet general licensing provisions. In addition, centers serving particular populations must meet additional requirements.

- *Infant Child Care Centers* are licensed to care for infants and toddlers under age 2 (1,951 licensed centers).
- *School Age Child Care Centers* are licensed to serve children who are enrolled in kindergarten and above (2,276 centers).
- *Child Care Centers for Mildly Ill Children* are licensed to provide non-medical care to mildly ill children of all ages (including some with contagious conditions). Level I centers operate as components of child care centers and may serve only those children who are enrolled in the regular program. Level II centers are either free-standing facilities or components of child care centers and may care for children regardless of their regular child care situation (6 centers).

Licensing Options

The *Toddler Option* is available to infant care and child care centers that want to operate a separate program for toddlers between 18 and 30 months of age. They may remain in the program until 3 years of age, if it is developmentally appropriate.

Parent Cooperatives allow parents to serve as teachers and aides under the supervision of

a qualified program director.

Licensed Operators

Private Proprietary Businesses

- Owner-Operators
- Private Nonsectarian Schools
- Corporate Franchises & Chains

Private Nonprofits

- Nonprofit Community Agencies
- Private Nonsectarian Schools
- Parochial Schools
- Religious Institutions
- Parent Cooperatives

Public Agencies

- Public Schools, Colleges & Universities
- City, County & State Agencies

Inspections and Fees

Centers are inspected prior to licensure. All centers are to be inspected at least once within a five-year period. Licensing staff will also visit homes unannounced in response to complaints in addition to conducting a follow-up visit. Random spot checks are made to 20% of centers annually. An annual fee of \$242 to \$1,210, depending on capacity, is assessed per license. Initial application fees are double the annual fee and there are additional fees for orientations, late payments, changes in capacity, address or ownership, failing to implement a plan of correction, and probation monitoring.

FAMILY CHILD CARE HOMES

California has 32,144 licensed family child care homes, providing space for up to 325,744 children.

Types of Licenses

Small Family Child Care Homes are licensed to care for four infants or up to six children when no more than three are infants (if the provider's own children are younger than 10 years of age, they must be included in the ratio). A small family child care home may care for up to eight children if at least two of the children are 6 or older and no more than two are infants.

Large Family Child Care Homes are licensed to care for 12 children and must have a second caregiver present. No more than four of the children may be infants. A large family child care home may care for up to 14 children if at

least one of the children is 6 or older, another is enrolled in kindergarten or a higher grade, and no more than three are infants.

Inspections and Fees

Family child care homes are inspected prior to licensure and at least once within a five-year period. Random spot checks are made to 20% of homes annually. Licensing staff will also visit homes unannounced in response to complaints in addition to conducting a follow-up visit. Small family child care homes are assessed an annual fee of \$73; large homes, a \$140 fee. There are additional fees for orientations, late payments, changes in capacity, address or ownership, failing to implement a plan of correction, and probation monitoring.

CRIMINAL BACKGROUND CHECK

All licensed providers and employees who provide care to children must complete a criminal background clearance. Volunteers and students who work with children more than 16 hours a week or who are with the children alone must also complete a criminal background check. Centers and homes may choose to require checks of persons otherwise exempt from the requirement. When a person submits their fingerprints, the California Department of Justice conducts a background check. If they have no criminal history, a clearance notice will be sent to the person. If they have a criminal history, the details of the history will be reviewed to decide whether or not to exempt the applicant. Unless they receive an exemption, people who have a criminal record or a substantiated report of child abuse are not allowed to work for a child care facility. Exemptions are granted on a case by case basis to individuals whom demonstrate such good character as to justify an exemption. People convicted for certain crimes (including child molestation and sexual abuse) cannot be granted an exemption.

A clearance or exemption must be obtained prior to a worker's or volunteer's presence in a facility. The DSS Community Care Licensing Division has installed computer-imaging devices (called Livescan) for fingerprinting in most of their district offices. Failure to submit fingerprints may subject licensees to a \$100 per day civil penalty per violation (up to \$500 for a first violation and \$3000 for subsequent violations within a year).

OTHER ASSISTANCE

PERSONAL TAX CREDITS

Federal Child Care Tax Credit allows parents to claim a portion of their out-of-pocket child care expenses as a credit against any taxes owed. Families may claim up to \$3000 in expenses for one child and \$6000 for two or more children under the age of 13 at the time the care is provided. The credit is a percentage of child care expenses that varies with income: families with income up to \$15,000 may claim 35% of their child care costs. The percentage phases down to 20%, decreasing by 1% for every \$2000 of income.

State Child Care Tax Credit allows parents to claim a portion of their out-of-pocket child care expenses as a refundable tax credit. Families may claim 50% of the federal credit with incomes up to \$40,000, 43% with incomes up to \$70,000, and 34% with incomes up to \$100,000.

Federal Earned Income Tax Credit (EITC) is a refundable tax credit for low-income working parents with dependent children. A family with one child with income less than \$39,131 may receive a credit of up to \$3,359. A family with two children with income less than \$44,454 may receive a credit of up to \$5,548. A family with three or more children with income less than \$47,747 may receive a credit of up to \$6,242. The credit may be claimed in advance using form W-5.

Federal Child Tax Credit provides a tax credit of up to \$1000 for each qualifying child under 17 years old at the end of the year. This tax credit decreases if your modified adjusted gross income exceeds a specified level (\$110,000 if married filing jointly, \$55,000 if married filing separately, and \$75,000 if head of household, widow(er), or single person).

Federal Additional Child Tax Credit provides a refundable tax credit if a family is unable to claim all or a portion of the Child Tax Credit because the credit exceeds the amount they owe in taxes. If the family has one or more qualifying children and more than \$3,000 of earned income, they may be entitled to a refund of up to 15 percent of their earned income greater than \$3,000. If the family's earned income is less than \$3,000, they may be eligible for a refundable credit if they have three or more qualifying children and paid social security taxes that exceeded their credit.

EMPLOYER SUPPORTS

Employers can support employee child care needs by providing direct financial assistance or establishing 'child-friendly' policies, such as flex-time, job sharing, parental leave, use of sick leave to care for an ill child, and salary reduction plans that include child care.

Employee Child Care Expenses paid by employers are eligible for a credit against federal taxes. The credit is limited to 25% of child care expenses and 10% of resource and referral expenses and may not exceed \$150,000 each year.

Dependent Care Assistance Program, also called a DCAP or salary reduction plan, allows employees to specify up to \$5000 of their salary to be set aside for expenses necessary for the employee to be able to work, such as child care. Employers may fund a DCAP as a benefit. These funds are exempt from state and federal taxes. Employers then reimburse employees for actual expenses. Employers may deduct the cost of providing the plan.

Paid Family Leave, provides up to 6 weeks of paid leave because of the sickness or injury of a family member or domestic partner or the birth, adoption, or foster care placement of a new child. Employees receive up to 55% of their regular wages up to a maximum weekly benefit amount. It is funded through employee contributions to the State Disability Insurance Program.

LOCAL EFFORTS

City & County Child Care Coordinators - Individual California cities and counties hire child care coordinators to plan, develop, and enhance child care services in their communities. Depending on the needs of the community, the coordinator may facilitate the expansion of child care programs, mediate zoning problems, engage in long-range planning, administer child care benefit programs for local government employees, or oversee direct child care services.

Social Services Block Grant - Some local governing boards allocate federal Community Services Block Grant money to provide child care assistance.

FACILITIES

Child Care Facilities Revolving Fund provides financing for the purchase of new relocatable child care facilities to expand child care services. Loans made over the last 16 fiscal years total \$128 million. As loans are paid back, additional loans may be made. For the 2013-14 fiscal year, the CCFRF began with an initial available balance of \$8.3 million. Applicant agencies may apply for up to \$210,000 for each relocatable building and up to \$70,000 for additional requested modules (which add to the size of the basic building). The budget regularly makes \$5 million of these funds available for repair and renovation grants that reduce the total balance in the fund.

Military Child Care - The U.S. Department of Defense subsidizes child care for military personnel throughout the country. They fund child development centers, family child care homes, and school-age centers. All centers are certified to meet fire, safety, health, and program requirements; child development centers and school age centers are mandated to pursue accreditation (evaluated by an outside agency, such as the National Association for the Education of Young Children), while family child care centers are encouraged and supported in efforts to pursue accreditation from the National Association for Family Child Care. There are 29 California military installations with child care programs and many provide a full range of services.

HEAD START

Head Start provides full- and part-day preschool programs for 3 to 5-year-old children from families with incomes below the federal poverty level (\$19,790 per year for a family of three in 2014). If there is capacity, programs may serve families with incomes up to 130% of the federal poverty level. Programs are to be responsive to each child and family's ethnic, cultural, and linguistic heritage. If a majority of children in a Head Start program speak a language other than English, at least one aide must speak their language. The program addresses the mental, social, and emotional development of children, and provides families with education, health, nutrition, and social services. Programs build relationships with families that support healthy parent-child relationships, family well-being, and connections with peers and community. Case workers visit parents at home and services are provided to each family as needs are individually identified. At least 10% of enrollment is reserved for children with disabilities. Public and private for-profit and non-profit agencies may operate Head Start programs. These programs receive grants directly from the federal government (though some city, state, and federal programs offer funding for expansion) and may complement their program with funding from other sources (such as State Preschool) to provide full-day programs. In 2013-14, California Head Start programs served 90,724 children.

Early Head Start provides early education experiences to children from birth to age 3. The program enhances children's physical, social, emotional and cognitive development; provides parenting education; and enables parents to address their own goals. Early Head Start programs coordinate with Head Start to ensure continuity of care. In 2013-14, California Early Head Start programs served 16,157 children.