County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE
713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
http://cao.co.la.ca.us

DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 2, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVE CONTRACT WITH THE CALIFORNIA DEPARTMENT OF EDUCATION (ALL DISTRICTS) (3-VOTES)

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICE AND THE CHILD CARE PLANNING COMMITTEE THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached contract (Attachment A) with the California Department of Education (CDE) in the amount of $5,032,107 for the period of June 1, 2003 through June 30, 2005 to support the Child Care Planning Committee's (Planning Committee) Investing in Early Educators Program. The program is designed to promote professional development and retain qualified staff in CDE-funded child development centers. The Investing in Early Educators Program is staffed by the Office of Child Care within the Service Integration Branch of the Chief Administrative Office.

2. Adopt the attached resolution (Attachment B) to authorize the Chief Administrative Officer, or his designee, to act as the agent for the County to execute any amendments as may be deemed necessary to implement this contract.

3. Authorize the Planning Committee, with staff support from the Office of Child Care, to implement the contract.

PURPOSE OF RECOMMENDED ACTION

On August 28, 2001, your Board approved a contract with CDE to implement the Los Angeles County Child Care Planning Committee's Investing in Early Educators Program. A subsequent contract amendment was approved by your Board on July 9, 2002, to extend the contract term to 2003, and increased the total contract amount to $9,976,532.

This new contract for the Investing in Early Educators Program will continue to support the County's Strategic Plan Goal 1 - Service Excellence; Goal 3 - Organizational Effectiveness; and Goal 5 - Children and Families' Well-being. The stipend portion of the project provides a cash-incentive for early educators to complete additional college level coursework while working directly with children at least 20 hours per week in CDE-funded child development centers. In addition, Early Childhood Career Information kits, which provide the educational requirements needed to advance on the permit matrix, will be distributed to stipend applicants. Stipends will also be awarded to supervisory/management-level staff who agree to become Professional Growth Advisors for teaching staff. This concerted effort to both reward and provide ongoing support to teaching and managerial staff is aimed at enhancing the educational attainment and professional development of early educators. Research has shown that a stable and well-qualified child care workforce contributes to the healthy development of young children.

JUSTIFICATION

Formal approval of this contract by your Board is required to receive the funds from CDE to continue operating the Investing in Early Educators Program. The contract documents were originally released by CDE on June 30, 2003 (29 days after the contract start date). Those documents were never received and a second set was requested. Duplicate documents were received on August 11, 2003 and processed immediately for consideration by your Board.

The stipend component of the Investing in Early Educators Program will provide child development teachers in CDE-funded centers with a cash incentive to further their education, while remaining employed within a subsidized child development center.

FISCAL IMPACT

This contract will provide $5,032,107 in CDE funds to continue the ongoing support of the Investing in Early Educators Program. Approximately $754,816 (15%) of the contract will be used for administration of the program and $4,277,291 (85%) will be used for retention and professional development activities.

FACTS AND PROVISIONS

AB 212 was introduced in 1999 by Assembly Member Dion Aroner to improve the quality of child care by addressing the low salaries and high turnover rates in child development programs. Funding began in Fiscal Year 2001-02. New contracts have just been released by CDE to continue the Child Care Retention Program for a third year. The County of Los Angeles is receiving $5,032,107 in funds, which represents approximately one-third of the total Statewide allocation.

IMPACT ON CURRENT SERVICES

During the first two years of operation, the Investing in Early Educators Program awarded over 3,000 stipends for an approximate total of $7.8 million to early educators in local CDE-funded child development centers. To be eligible for a stipend, applicants were required to hold a Child Development Permit, maintain employment with a subsidized child development program, and complete at least three semester college units for the educational requirement. Applicants, who regularly used a language other than English in their work with children, received an additional

bilingual stipend. In order to ensure broad participation, stipends were made available through three administrative cycles.

In addition to the stipend component, the Investing in Early Educators Program also offered child development program administrators the opportunity to participate in the Management Development for Early Childhood Educators Program. Over 80 administrators completed this intensive 96-hour training with the Anderson School of Business at the University of California, Los Angeles.

The Investing in Early Educators Program, which is administered by the Office of Child Care, has contributed to the professional growth and the availability of quality early childhood educators. Based on what has been learned from the previous three cycles, the next program cycle is being modified to reflect a greater emphasis on the educational advancement from an Associate's Degree to a Bachelor's Degree. In lieu of awarding bilingual bonuses, applicants will be awarded stipends for completing English as a Second Language (ESL) classes. Acceptance of this contract will support the continuation of stipends for qualified early educators, targeted training for program administrators, and evaluation of the impact of stipends on retention.

CONCLUSION

Two signed copies (original signatures are required) of the contract and resolution should be returned to:

- Chief Administrative Office, Service Integration Branch, Office of Child Care, 222 South Hill Street, 5th Floor, Los Angeles, CA 90012. Copies will be forwarded to CDE, as required.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

BONNIE L. BAILER, Chair
Child Care Planning Committee

DEJ:BLB
ASD:KMS:LB

Attachments (3)

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller

Second Set Attachment A

CALIFORNIA DEPARTMENT OF EDUCATION
1430 N Street; P.O. Box 944272
Sacramento, CA 94244-2720

F.Y. 02-03 thru 04-05

DATE: June 01, 2003

CONTRACT NUMBER: GRET-2017
PROGRAM TYPE: CC SALARY/RETENTION INCENTIVE
PROJECT NUMBER: 19-P999-00-2

LOCAL AGREEMENT FOR CHILD DEVELOPMENT SERVICES

CONTRACTOR'S NAME: LOS ANGELES COUNTY BOARD OF SUPERVISORS

By signing this contract and returning it to the State, you are agreeing to provide services in accordance with the CHILD CARE AND DEVELOPMENT FUND - PROGRAM REQUIREMENTS FOR CHIILD CARE SALARY/RETENTION INCENTIVE PROGRAM (Attachment B), the attached APPLICATION, and the APPROVED COUNTY PLAN (Attachment A) which are by this reference incorporated into this contract. The Guidelines specify the contractual responsibilities of the State and the contractor.

Funding of this contract is contingent upon appropriation and availability of funds. This contract may be terminated immediately by the State if funds are not appropriated or available in amounts sufficient to fund the State's obligations under this contract. This contract is effective from June 1, 2003 through June 30, 2005. These funds shall not be used for any purpose considered nonreimburseable pursuant to the current Funding Terms and Conditions (FT&C) and Title 5, California Code of Regulations. The total amount payable pursuant to this agreement shall not exceed $5,032,107.00.

Expenditure of these funds shall be reported to the Child Development Fiscal Services Division (CDFS) on Form CDFS-9529 no later than July 20, 2004. For non-local educational agencies, expenditures for the period June 1, 2003 through June 30, 2003 shall be included in your 2002-2003 audit due November 15, 2003 or earlier if specified by the CDE. Expenditures for the period July 1, 2003 through June 30, 2004 shall be included in the 2003-2004 audit due November 15, 2004 or earlier if specified by the CDE. Expenditures for the period July 1, 2004 through June 30, 2005 shall be included in the 2004/05 audit due November 15, 2005 or earlier if specified by the CDE.

The audits for school districts and County Offices of Education shall be submitted in accordance with Education Code Section 41020.

Any provision of this contract found to be in violation of Federal or State statute or regulation shall be invalid but such a finding shall not affect the remaining provisions of this contract.

APPROVED AS TO FORM
LLOYD W. PELLMAN, County Counsel
BY Barbara O'Neal
DEPUTY

STATE OF CALIFORNIA	CONTRACTOR
BY (AUTHORIZED SIGNATURE)	BY (AUTHORIZED SIGNATURE)
PRINTED NAME OF PERSON SIGNING: Donna Salaj	PRINTED NAME AND TITLE OF PERSON SIGNING
TITLE: Manager Contracts Office	ADDRESS

AMOUNT ENCUMBERED BY THIS DOCUMENT $ 5,032,107	PROGRAM/CATEGORY (CODE AND TITLE): Child Development Programs		FUND TITLE: General		Department of General Services use only
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT $ 0	(OPTIONAL USE) 0156 24151-P999 Transfer to SSF				
	ITEM 30.10.020.901 6100-196-0001	CHAPTER 379	STATUTE 2002	FISCAL YEAR 2002-2003	
TOTAL AMOUNT ENCUMBERED TO DATE $ 5,032,107	OBJECT OF EXPENDITURE (CODE AND TITLE): 702 SACS: Res-5035 Rev-8590				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.			T.B.A. NO.	B.R. NO.	
SIGNATURE OF ACCOUNTING OFFICER			DATE		

STANDARD PROVISIONS FOR STATE CONTRACTS

1. The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this contract.

2. The Contractor, and the agents and employees of the Contractor, in the performance of this contract, shall act in an independent capacity and not as officers or employees or agents of the State of California.

3. The State may terminate this contract and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, the State may proceed with the work in any manner deemed proper by the State. The cost to the State shall be deducted from any sum due the Contractor under this contract, and the balance, if any shall be paid the Contractor upon demand.

4. Without the written consent of the State, this contract is not assignable by Contractor either in whole or in part.

5. Time is the essence of this contract.

6. No alteration or variation of the terms of this contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.

7. The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

8. Contractors entering into a contract funded wholly or in part with funds from the United States Government agree to amendments in funding to reflect any reduction in funds if the Congress does not appropriate sufficient funds. In addition, the contract is subject to any restrictions, limitations or enactments of Congress which affect the provisions, terms or funding of this contract in any manner. The State shall have the option to terminate the contract without cost to the State in the event the Congress does not appropriate funds or a United States agency withholds or fails to allocate funds.

NONDISCRIMINATION CLAUSE (OCP-1) STD. 17A(REV.3-95)

1. During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family and medical care leave and denial of pregnancy disability leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

2. This contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the contract.

DRUG-FREE WORKPLACE CERTIFICATION

By signing this contract, the contractor hereby certifies under penalty of perjury under the laws of the State of California that the contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

B. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:

   1. the dangers of drug abuse in the workplace;
   2. the person's or organization's policy of maintaining a drug-free workplace;
   3. any available counseling, rehabilitation and employee assistance programs; and
   4. penalties that may be imposed upon employees for drug abuse violations.

C. Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed contract:

   1. will receive a copy of the company's drug-free policy statement; and
   2. will agree to abide by the terms of the company's statement as a condition of employment on the contract.

Failure to comply with these requirements may result in suspension of payments under the contract or termination of the contract or both and the contractor may be ineligible for award of any future state contracts if the CDE determines that any of the following has occurred: (1) the contractor has made false certification or (2) the contractor violates the certification by failing to carry out the requirements as noted above.

California Department of Education

COPY

ATTACHMENT A

Staff Retention Plan for 2002-03 Funding: State-Subsidized Center-Based Programs (AB 212)

Description:

The staff retention program was developed to assist counties in improving the retention of qualified employees who work directly with children who receive State-subsidized child care services.

Return To: California Department of Education
Child Development Division
Local Planning Council Team
1430 N Street, Suite 6308
Sacramento, CA 95814

Due to CDE/CDD by:
March 28, 2003 by 5 p.m.

APPLICANT ORGANIZATION INFORMATION

County:
Los Angeles

Legal Entity for this County's Local Planning Council:
County of Los Angeles Board of Supervisors

Agency Contact:	Laura Escobedo
Title:	Child Care Planning Coordinator
Address:	222 South Hill Street, Fifth Floor
City:	Los Angeles Zip 90012
Phone:	(213) 974-4102
Fax:	(213) 217-5106

CERTIFICATION

The funding requested herein is to supplement, not supplant, existing efforts and investments to retain qualified child care staff at the local level. The funding associated with this request shall be allocated to retain qualified child care employees who work directly with children who receive subsidized care in State-subsidized, center-based programs.

I certify under penalty of perjury that: I am the Local Planning Coordinator or other authorized representative for this County; I have read the full content of the Guidelines for this funding; and to the best of my knowledge and belief, the information in this application and in any attachments hereto are true and correct.

Laura A. Escobedo — March 28, 2003

Signature, LPC Coordinator (or authorized representative) — Date

Laura A. Escobedo — Child Care Planning Coordinator

Typed Name and Title

CDD USE ONLY		
Application meets AB 212 Guideline Requirements	YES	NO

Approved 5-14-03 L.M. Parfitt

Section I – Introduction

The Staff Retention Plan (2003-04) includes the following components:

1. Stipends will be provided as incentives for early childhood educators at all professional levels to continue their education Stipends will be offered to those who become Professional Growth Advisors.

2. Training for supervisory/management-level staff of CDE-funded programs will enhance the capacity of program managers to plan for, implement, and support policies and practices related to staff retention. Additional training aimed at site/center personnel interested in becoming new Professional Growth Advisors will be offered as a way to increase access to counseling regarding child development permit applications and requirements.

3. Information and Technical Assistance in the form of *Early Childhood Careers* information kits, will be distributed to stipend applicants, Professional Growth Advisors, and academic counselors. This will increase the availability of information for current and prospective early childhood educators about the educational requirements and career opportunities in the field of child development.

4. Data Collection and Policy Development includes an evaluation of the stipend initiative. Data will be collected from stipend applicants about their education, permit levels, and compensation. Analysis of the data will result in policy recommendations. Evaluation data will contribute to the development of a model compensation scale. The model compensation scale will be promoted as the standard to be worked toward for all child care and development programs in the County of Los Angeles.

Section II – Current Needs and Resources

Data from three sources was used to in determine Plan components/activities:

1) information about educational attainment, salaries, permit levels, and other work information from the applications of 2001-03 stipend applicants (3000+);

2) interviews with, and written evaluations of the management training from, program administrators; and

3) the results of a Countywide compensation survey (2002) which included surveys of staff in CDE-funded programs as well as private-for-profit, church affiliated, and community non-profits centers.

The data from the AB 212 stipend program applicants indicated that the education levels of stipend applicants are: 36% with some college; 37% with A.A. degrees; and 15% with B.A. degrees. The difference in the number of those with A.A. and those with B.A. degrees is huge. In addition, Office of Child care staff dealt with hundreds of applicants directly through phone calls and or written communication. OCC staff found that many applicants demonstrate poor communication and analytical skills important to early educators, and critical for higher educational attainment.

The countywide compensation survey data indicate that it takes more time (6 weeks) to fill open positions in CDE-funded programs than it does to fill positions in non-subsidized centers (2 weeks). This appears to be due to the higher staff qualifications, i.e. child development permits, for CDE-funded programs. There is a limited pool of these qualified candidates and very few staff in non-subsidized programs have child development permits, and cannot, therefore, apply for positions in CDE-funded programs. Through our work with the stipend applicants we also found that first time permit applicants and those holding an Associate Teacher permit lacked information about applying for and upgrading permits. They did not have access to knowledgeable personnel at their worksites who could advise them. Most were unfamiliar with Professional Growth Advisors.

Data from the compensation survey indicate that turnover in CDE-funded programs is relatively low. This finding was substantiated by the stipend applicant data. Most applicants had been in the field for over 10 years, many with the same employer. The results of the compensation survey indicated that turnover in CDE-funded programs is 9 percent per year, compared with 18-22 percent turnover in non-subsidized programs.

Another finding from the compensation survey was that subsidized programs generally pay higher salaries (average 20% more) than non-subsidized programs. However, there is still a considerable range in salaries for similar positions among CDE-funded programs (compensation survey and applicant data). In fact, the stipend applicant data provided a picture of widely varying salary scales that did not encourage advanced education.

The compensation survey results indicate that higher compensation levels correlate with lower turnover rates. However, the long-term impact of a "stipend" program on educational attainment, job promotion, increased pay, and retention in the field is still unknown. Follow-up activities with stipend applicants will be necessary in order to determine the measurable outcomes and long term impacts of a stipend initiative.

The management-training evaluation and interviews with CDE-funded program administrators indicate that the management training increases skills required to effectively manage programs. Participant agencies have applied new knowledge to projects related to compensation, personnel practices, and other retention activities.

The following Staff Retention Plan activities were determined based on the findings listed above.

1. Continue stipends for completion of three to six units of college-level coursework to promote advanced educational goals.

2. Promote the use of the Permit matrix, through the distribution of information and materials to both applicants, Professional growth Advisors, and academic counselors; and improve access to Professional Growth Advisors buy expanding Professional Growth Advisor training.

3. Develop and promote a model compensation scale that considers position, education, and program responsibilities and will contribute to improved compensation and retention of qualified staff.

4. Conduct an evaluation of the stipend initiative to determine long term impacts. The *Investing In Early Educators Program* for 2003-04 will include a research-driven evaluation component. A survey instrument will be developed and used to follow up with a high percentage of the stipend applicants, both those who received and did not receive a stipend.

5. Continue management training to address internal organizational issues affecting retention within the organizations that administer CDE-funded child care and development programs.

Section III – Priorities

1. Child development staff holding a valid Child Development Permit working at least 20 hours a week directly with children in a CDE-funded child development program who complete three to six units of college coursework will earn stipends that range from $1,000 to $4,000 depending on the number of units completed. Actual stipend awards may be adjusted depending on the availability of funds and the number of applicants. The need to select a broad category of child development staff as a priority group for the stipends is supported by the data in Section II that indicated a small percentage of child development personnel continued their education to four years of college.

2. All child development staff in CDE-funded programs, at Teacher level and above, who attend Professional Growth Advisor training and commit to serving as Professional Growth Advisors for staff at their work sites will receive stipends of $250. Selection of this priority group is supported by the information in Section II indicating a lack of information about Child Development permit applications and

upgrades, and the fact that very few of the CDE-funded centers participating had Professional Growth Advisors who have received the training necessary to adequately counsel child development staff.

3. All child development staff applying for a stipend providing professional growth advice, or managing child development staff, will be eligible to receive a *Child Development Careers* information kit. The selection of this broad group as a priority is based on information in Section II that describes a lack of good information about how to apply for permits and how to progress on the Child Development Matrix. This will increase the pool of qualified applicants for CDE-funded center positions.

4. All child development staff applying for a stipend will be included in the evaluation and data collection.

5. Child development staff in Site Supervisor, Director, or other management positions in CDE-funded programs will be invited to participate in management-training sessions. Selection of this priority group is supported by the results of the evaluation of the management training that indicated positive gains in skill level and capacity to plan for retention of staff.

Section IV – Measurable Outcomes

1. Up to 1,500 child development staff in CDE-funded programs will receive stipends; and will have earned between 3 and 6 units of college credit to advance their educational goals.

2. Up to 150 child development staff will complete Professional Growth Advisor training and begin to provide guidance to other staff at their CDE-funded worksites;

3. Up to 200 child development supervisory or management staff will receive training in organizational development and human resources management;

4. A report which details the results of data collection and evaluation of the *Investing in Early Educators* Stipend Program will be produced within three months of the completion of the stipend awards. The data collection, via a survey of stipend applicants, and subsequent analysis will examine the following questions:

    a. Did stipends impact retention at CDE-funded sites?
    b. Did stipends result in higher educational attainment?
    c. Did stipends result in permanent, increased pay levels?
    d. Did stipends result in an increase in permit applications and/or an increase in applications for permits at higher levels of competency?

1. Based on the results of the survey and evaluation, policy recommendations on use of "stipends" to affect retention and on other systemic changes will be developed. In addition, the evaluation results will be used to improve the Investing in Early educators program.

2. A model compensation scale will be developed and disseminated to all CDE-funded child development programs to stimulate changes in compensation that are more reflective of the education of the staff; and

3. Up to 5,000 *Careers in Child Development* information kits will be distributed to stipend applicants, Professional Growth Advisors, and academic counselors in order to promote continued education and leading to a more qualified workforce overall.

Section V – Fiscal Plan

Part 1: Agency Information

Name of Legal Entity: County of Los Angeles Board of Supervisors

County of Service: Los Angeles Funding Allocation: $5,032,107

Contract No.: GRET 0018

Part 2: Budget Information

Planned Expenditures:

Cost of Planning: $0.00

Administrative Cost: $754,816

Retention Activities: $4,277,291

Part 3: Instruction

Part 1:

Legal Entity/Agency: Enter the name of the agency that is the legal entity for Local Planning contract.

County of Service: Enter the name of the county in which services are being provided.

Funding Allocation: Enter the amount of AB 212 funding allocated to your county for Fiscal Year 2000-01 and 2001-02 combined.

Part 2:

Cost of Planning: Enter the amount to be used for planning purposes. The amount shall not exceed 1 percent of total county funding allocation.

Administrative Cost: Enter the amount needed to cover non-retention activities expenses. This amount, together with any amount shown in "Cost of Planning," shall not exceed 15 percent of total county funding allocation.

Retention Activities: Enter the amount to be expended on retention activities.

NOTE: Please do not round up on any of these figures, if rounding, please drop at decimal. The Cost of Planning, Administrative Cost, and Retention Activity amounts should equal your total Funding Allocation amount.

Section VI Instructions

Before completing this application, please review the information provided in the AB 212 Guidelines. Additional guidance may be found in the "Frequently Asked Questions and Answers" available on the CDD Web Site at http://www.cde.ca.gov/cyfsbranch/child_development/AB212_faq.htm. The information provided should describe the County's plan for a staff retention program for qualified employees who work directly with children in State-subsidized, center-based programs.

You may provide responses on these forms or on separate pages, but please submit no more than a total of 4 single sided, 8 ½ by 11" pages. The top, bottom, left, and right margins of the page must be at least one-half inch. Use a 12-point font that does not exceed six lines per inch. Do not use a compressed, narrow, or script font.

If submitting response on separate page, please include the following information in the upper right hand corner of each page: County, and page number. In the title of each section of the response, identify the section by number and title, and underline it (e.g., I. Introduction, etc.).

Section	Information Requested
I. Introduction	In this section develop a brief and succinct description of the program you will provide through this contract in accordance with the guidelines included in this package.
II. Current Needs and Resources	Describe the current data about needs and resources obtained relative to this initiative, including but not limited to any data about staff turnover and retention rates, AND explain how awarded funds will be allocated in accordance with those data. The data provided must support the identified priorities in your plan.
III. Priorities	Identify and prioritize the types or categories of child care employees who will qualify for participation in this staff retention plan. The identified priorities must be supported by the data provided in Section II. Provide a brief explanation of how the plan addresses the identified needs.
IV. Measurable Outcomes	Describe measurable outcomes and how they will be used to assess and document the effectiveness of this funding award in retaining qualified child care employees.
V. Fiscal Plan	Complete per instructions provided with this section.

ATTACHMENT B

GUIDELINES FOR CHILD CARE SALARY/RETENTION INCENTIVE PROGRAM

May 15, 2001 – June 30, 2002

PROGRAM REQUIREMENTS FOR
CHILD CARE
SALARY/RETENTION INCENTIVE PROGRAM

The intent of this contract award is to assist counties in improving the retention of qualified child care employees who work directly with children who receive state subsidized child care services.

Funding was made available in the current fiscal year and is to be expended 5/15/01 to 6/30/02 respectively. Future years funding is contingent upon appropriation and availability of funds. There is no guarantee. The allocation to each county will be adjusted annually based upon changes in the total amount of subsidized services in each county. Especially in terms of direct stipends to individuals, there should not be an expectation that a particular individual will receive funding from year to year, as such funding will be subject to the county's funding criteria and funding level that are newly established each year.

The following program requirements are provided to assist the designated legal entity in meeting the legislative intent. Each contractor is required, as a condition of its contract with the California Department of Education (CDE), Child Development Division (CDD), to adhere to these requirements and Title 5 regulations pertaining to Child Development Programs, in addition to all other applicable laws and regulations. Any variance from these requirements, the applicable Title 5 regulations, laws and regulations could be considered a noncompliance issue and subject the contractor to possible termination of the contract.

I. General Provisions

1. National Labor Relations Board/Federal Court Order

   By signing this contract, the contractor swears under penalty of perjury that no more than one final unappealable finding of contempt of court has been issued by a federal court against the contractor within the last two (2) years because of failure to comply with a federal court order for compliance with an order of the National Labor Relations Board (Public Contract Code Section 10296). This provision does not apply to public entities.

2. Notification of Address Change

   Contractors shall notify the CDD in writing of any change in mailing address for communication regarding the contract (administrative address) within ten (10) calendar days of the address change. For non-public agencies, the notification must be accompanied with (1) board minutes verifying the change in address and (2) a copy of the notification to the Internal Revenue Service of the address change.

   Contractors shall notify the CDD in writing of any proposed change in operating facility address(s) at least thirty (30) calendar days in advance of the change unless such change is required by an emergency such as fire, flood or earthquake.

3. Open Board Meetings

   Any private tax-exempt or private non-tax exempt agency receiving public funds under these regulations must, to the extent of the publicly funded program, comply with the Ralph M. Brown Open Meetings Act ("Brown Act"), Government Code Sections 54950-54961. Board meetings shall be open to the public except for meetings with its designated representatives prior to and during consultations and discussions with representatives of employee organizations regarding the salaries, salary schedules or compensation paid in the form of fringe benefits of employees or to consider the appointment, employment, evaluation of performance or dismissal of an employee or to hear complaints or charges brought against an employee unless such employee requests an open meeting. Minutes of these open meetings shall be available to the public.

4. Issuance and Use of Checks

Except for external payroll services, private contractors shall not use any pre-signed, pre-authorized, or pre-stamped checks without the prior written approval of the CDD.

Private contractors shall require two (2) authorized signatures on all checks unless: (1) the contractor has a policy approved by its governing board requiring dual signatures only on checks above a specified dollar amount and (2) the annual audit verifies that appropriate internal controls are maintained.

5. Prohibition Against Loans and Advances

Contractors shall not loan contract funds to individuals, corporations, organizations, public agencies or private agencies. Contractors shall not advance unearned salary to employees. Contractors shall not make advance payments to subcontractors and shall compensate subcontractors after services are rendered or goods are received except for (1) subcontractors providing direct child care and development services and (2) subcontractors with subcontracts exempt from the provisions of Section IV below as specified in Section IV.A.

6. Materials Developed with Contract Funds

If the contractor receives income from materials developed with contract funds, the use of the income shall be restricted to the child development program. If the materials were developed in part with contract funds, the income from the sale of the materials that shall be used in the child development program shall be computed in direct proportion to the share of contract funds used in development of the materials.

Materials developed with contract funds shall contain an acknowledgement of the use of State funds in the development of materials and a disclaimer that the contents do not necessarily reflect the position or policy of the CDE.

7. Contractor's Termination for Convenience

A. General Termination for Convenience

A contractor may terminate the contract for any reason during the contract term. The contractor shall notify the CDD of its intent to terminate the contract at least ninety (90) calendar days prior to the date the contractor intends to terminate the contract.

Within fifteen (15) days from the date the contractor notifies the CDD of its intent to terminate the contract, the contractor shall submit: (1) a current inventory of equipment purchased in whole or in part with contract funds and (2) the names, addresses and telephone numbers of all families served by the contract and all staff members funded by the contract. Family child care home contractors shall also submit the names, addresses and telephone numbers of all providers of subsidized services funded by the contract.

Upon receipt of a notice of intent to terminate, the CDD will transfer the program to another agency as soon as practicable.

The State shall only be obligated to compensate the contractor for net reimbursable program costs in accordance with this contract through the date of termination. There shall be no other compensation to the contractor. The State shall offset any monies the contractor owes the State against any monies the State owes under this contract.

B. Changes in Laws or Regulations

The CDD shall notify contractors in writing of changes in laws or regulations prior to the effective date or as soon as possible after enactment. If any laws or regulations are changed substantially during the contract period, the contractor shall have the option to discontinue performance and be relieved of all obligations for further performance.

The contractor has thirty (30) calendar days from receipt of notification of pending changes to notify the CDD in writing of the contractor's intent to terminate if the required changes are unacceptable to the contractor. The contract shall be deemed terminated sixty (60) calendar days after receipt of the notification of the intent to terminate.

8. Applicability of Corporations Code

Except for partnerships and sole proprietorships, private contractors shall be subject to all applicable sections of the Corporations Code including standards of conduct and management of the organization.

9. Conflicts of Interest

For any transaction to which the contractor is a party and the other party is: (a) an officer or employee of the contractor or of an organization having financial interest in the contractor; or (b) a partner or controlling stockholder or an organization having a financial interest in the contractor; or (c) a family member of a person having a financial interest in the contractor, the transaction(s) shall be fair and reasonable and conducted at arm's length.

Based on corporate law (Corporations Code sections 310, 5233-5234, 7233 and 9243 as applicable) the general rules that would be followed to ensure that transactions are conducted "at arm's length" include: (1) prior to consummating the transaction, the governing body should authorize or approve the transaction in good faith and the board should require the interested party, or parties, to make full disclosure to the board both in writing and during the board meeting where the transaction is being discussed and (2) all parties having a financial interest in the transaction should refrain from voting on the transaction and it should be so noted in the board minutes.

If the transaction involves the renting of property, either land or buildings, owned by affiliated organizations, officers or other key personnel of the contractor or their families, the board of directors shall request the interested party to obtain a "fair market rental estimate" from an independent appraiser. If the contractor has no board or is a sole proprietor, the requirement for a "fair market rental estimate" shall also apply. The contractor has the burden of supporting the reasonableness of rental costs. If the property is owned by the contractor, rental costs are not reimbursable and costs may be claimed only as depreciation or use allowance. Any transaction described in this paragraph shall be disclosed by the auditor in the notes to the financial statement in the annual audit.

Rental costs for equipment owned by affiliated organizations, officers or other key personnel of the contractor or their families are allowable only as use or depreciation allowance.

10. Americans with Disabilities Act

By signing this contract, the contractor assures the CDE that it shall comply with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.) as well as all applicable federal and state laws and regulations, guidelines and interpretations issued thereto.

11. Air or Water Pollution Violations (Government Code Section 4477)

By signing this agreement, the contractor swears under penalty of perjury that the contractor is not: (1) in violation of any order or resolution not subject to review promulgated by the state Air

Resources Board or an air pollution control district; (2) subject to a cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution. This provision does not apply to public agencies.

12. Recycled Paper Certification (Public Contract Code Section 10308.5/10354)

The contractor agrees to certify in writing to the CDE, under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer material and secondary material as defined in Public Contract Code Sections 12161 and 12200, in materials, goods or supplies offered or products used in the performance of the contract, regardless of whether the product meets the required recycled product percentage as defined in Sections 12161 and 12200. The contractor may certify that the product contains zero recycled content.

13. Child Support Compliance (Public Contract Code Section 7110)

By signing this agreement, the contractor acknowledges that (a) it recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement including, but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of part 5 of Division 9 of the Family Code; and (b) to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

14. Unlawful Denial of Service (Government Code Section 11135)

A. No person in the State of Californian shall, on the basis of ethnic group identification, religion, age, sex, color, or disability, be unlawfully denied the benefits of, or be unlawfully subjected to discrimination under, any program or activity that is funded directly by the state or receives any financial assistance from the state.

B. With respect to discrimination on the basis of disability, programs and activities subject to subdivision (a) shall meet the protections and prohibitions contained in Section 202 of the Americans with Disabilities act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof, except that if the laws of this state prescribe stronger protections and prohibitions, the programs and activities subject to subdivision (a) shall be subject to the stronger protections and prohibitions.

C. As used in this section, "disability" means any of the following with respect to an individual: (1) a physical or mental impairment that substantially limits one or more of the major life activities of the individual, (2) a record of an impairment as described in paragraph (1), or (3) being regarded as having an impairment as described in paragraph (1).

15. Computer Software Copyright Compliance

By signing this agreement, the contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation of maintenance of computer software in violation of copyright laws.

16. Union Organizing and Activities

A. Contractor by signing this agreement hereby acknowledges the applicability to this agreement of Government Code Section 16645 through Section 16649.

1. Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.

2. No state funds received under this agreement will be used to assist, promote or deter union organizing.

3. Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.

4. If the contractor incurs costs or makes expenditures to assist, promote or deter union organizing, the contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs. The contractor shall provide these records to the Attorney General upon request.

B. Contractor hereby certifies that no request for reimbursement or payment under this agreement will seek reimbursement for costs incurred to assist, promote or deter union organizing.

17. Equipment Inventory

Property records must be maintained that include a description of the equipment, serial number or other identification number, the source of the equipment, the acquisition date, the cost of the equipment, the location, use and condition of the equipment and any ultimate disposition date including date of disposal and sale price if applicable. A physical inventory of equipment must be taken at least every two years and reconciled with property records. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft (any loss, damage or theft must be investigated) and adequate maintenance procedures must be developed to keep the equipment in good condition.

II. Agency Responsibilities

A. Role of Local Planning Councils (LPCs)

Each LPC should

- seek legal counsel to determine what safeguards need to be established to protect the public interest;
- address potential conflict of interest issues;
- collaborate with all other interested parties in its county in order to conduct *comprehensive* child care staff recruitment and retention planning;
- each county may develop a plan that identifies the uses of funds from a variety of sources (the Child Care Salary/Retention Incentive Funds, as well as funds from both local and State Children and Families Commissions and other funds) to support the retention and recruitment of qualified child care employees throughout that county's early care and education programs (including both subsidized and non-subsidized services).

The *LPCs may submit either type of plan:* a comprehensive county plan that includes a variety of funding sources and initiatives, as long as the plan clearly and separately identifies the required information about the specific funds announced in this bulletin; or a county plan that is limited to the funds announced in this bulletin.

1. Use of Funds

   a. This funding is to supplement, not supplant existing efforts and investments to retain qualified child care staff at the local level.

   b. The contract funds must be allocated to retain qualified child care employees, who work directly with children who receive subsidized care, in State subsidized, center-based programs.

   c. One percent of the total funding allocation may be used for planning purposes. This includes any costs related to developing the plan.

   d. Contractors may claim no more than 15 percent of actual costs incurred, including the one (1) percent expended on planning, for administration.

   e. Contracts will be issued to the legal entity that currently holds the LPC contract with CDE/CDD.

   f. Collaboration is encouraged.

   g. Memoranda of Understanding, sub-contracts, consortia agreements among multiple counties, and other formal and informal types of collaboration are allowed. In particular, counties that have received small allocations may wish to develop a multi-county regional plan that will allow them to maximize the impact and/or benefits of their allocations.

   h. Each plan must describe the current data about needs and resources available relative to this initiative in their county, including but not limited to data about staff turnover and retention rates, and then must explain how awarded funds will be allocated in accordance with those data.

   i. Each plan must identify and prioritize the types or categories of child care employees who will qualify for participation in this child care staff retention initiative.

   j. Each plan must describe measurable outcomes and how they will be used to assess and document the effectiveness of this funding award in retaining qualified child care employees.

   k. Staff retention activities funded by these dollars should be selected in such a way that they are not dependent upon ongoing funding.

Each LPC must be able to demonstrate that it has systems in place for assuring both fiscal and program accountability for these funds. This includes a fiscal system that conforms to accounting standards for state contracts, and a program documentation system that is able to demonstrate impact of these funds over time and report the measurable outcomes identified in the plan. If funding awards are made for a second year, LPCs will be asked to provide data regarding the effectiveness of their retention efforts.

2. Reimbursement Costs

   Reimbursable costs must be incurred during the contract period. Contractors shall not use current year contract funds to pay prior or future year obligations.

   Contracts and subcontracts shall be reimbursed for travel and per diem expenses at rates not exceeding those amounts paid to the CDE's represented employees computed in accordance with State Department of Personnel Administration (DPA) regulation, Title 2 California Code of Regulation, Subchapter 1.

   Nonreimbursable costs will be determined in accordance with the 2001-02 Resource and Referral Funding Terms and Conditions, Section V.F., "Nonreimbursable Costs."

3. **Reporting Requirements**

Private agencies (including proprietary entities) that receive $300,000 or more in total federal funds are required to have an Organization Wide Audit (OWA) performed in accordance with OMB Circular A-133 and the "Audit Guide for Audits of Child Development and Nutrition Programs" prepared by CDE's Audits and Investigations Division (AID). Governmental and other public agencies (excluding school districts, county office of education and community college districts) must comply with the requirements of OMB Circular A-128 and the CDE's "Audit Guide." All other agencies (excluding school districts, county offices or education and community colleges) must submit a contractor audit performed in accordance with the CDE's "Audit Guide."

Each LPC must submit yearly a CD-3021 Child Care Retention Program Report, which describes the distribution and uses of the funds in the prior calendar year and the number of individuals or entities who received a stipend or benefit. This report shall be submitted no later than February 10, 2002 for funds distributed on or before December 31, 2001. The report for funds distributed between January 1, 2002 and June 30, 2002 shall be submitted no later than July 20, 2002. Reports shall be mailed to:

Child Development Division
Attn: LPC Team
560 J Street, Suite 220
Sacramento, CA 95814

The Expenditure and Revenue Report Form (CDFS 9529) is to be submitted once during the contract period and is due July 20, 2002. Please complete and submit this form directly to your assigned fiscal analyst at:

California Department of Education
Child Development Fiscal Services
P.O. Box 1317
Sacramento, CA 95812-1317

If there are questions regarding the appropriateness of a proposed expenditure or about the required county plans, should be directed to Linda Parfitt, Child Development Consultant, at (916) 322-1048, or via email to lparfitt@cde.ca.gov

Attachment B

RESOLUTION

This resolution must be adopted in order to certify the approval of the Governing Board to enter into this transaction with the California Department of Education for the purpose of providing child care and development services **and to authorize the designated personnel to sign contract documents for Fiscal Year 2003/05.**

RESOLUTION

BE IT RESOLVED that the Governing Board of County of Los Angeles Board of Supervisors

authorizes entering into local agreement number/s GRET-2017 and that the person/s who is/are listed below, is/are authorized to sign the transaction for the Governing Board.

NAME	TITLE	SIGNATURE
David E. Janssen	Chief Admin. Officer	
Sharon R. Harper	Chief Deputy	

PASSED AND ADOPTED THIS _____ day of _____ 2003/05, by the Governing Board of County of Los Angeles Board of Supervisors of Los Angeles County, California.

I, _____, Clerk of the Governing Board of Supervisors, of Los Angeles, County, California, certify that the foregoing is a full, true and correct copy of a resolution adopted by the said Board at a _____ meeting thereof held at a regular public place of meeting and the resolution is on file in the office of said Board.

_____ (Clerk's signature)

_____ (Date)