



Agreement Between

The State of California

and

**Child Care Providers United - California, a joint partnership of SEIU
and AFSCME/UDW (CCPU-CA)**

covering

**STATE-FUNDED FAMILY CHILDCARE
PROVIDERS**

Effective

July 26, 2021 through June 30, 2023

TABLE OF CONTENTS

PREAMBLE 1

ARTICLE 1 - RECOGNITION 1

ARTICLE 2 - REPRESENTATION..... 1

 2.1 Preservice Meetings and Orientation 1

 2.2 Provider Information..... 3

 2.3 Dues Deduction 3

ARTICLE 3 - PREROGATIVES RESERVED FOR THE STATE OF CALIFORNIA 4

ARTICLE 4 - GENERAL PROVISIONS..... 4

 4.1 No-Strike 4

 4.2 No Reprisals 5

 4.3 Entire Agreement..... 5

 4.4 Savings Clause 5

 4.5 Legislation..... 5

 4.6 Individual Agreements 5

 4.7 Non-Discrimination..... 6

ARTICLE 5 - GRIEVANCE AND ARBITRATION PROCEDURE 6

 5.1 Purpose 6

 5.2 Definitions 7

 5.3 Time Limits..... 7

 5.4 Waiver of Steps..... 7

 5.5 Presentation..... 7

 5.6 Informal Discussion..... 7

 5.7 Formal Grievance – Step 1 7

| | |
|--|-----------|
| 5.8 Formal Grievance – Step 2 | 8 |
| 5.9 Formal Grievance – Step 3 | 8 |
| ARTICLE 6 - TRAINING AND WORKFORCE PATHWAYS | 9 |
| 6.1 CCPU/State of California Joint Training Partnership..... | 9 |
| 6.2 Training Registry..... | 10 |
| ARTICLE 7 – RATES AND INCENTIVES | 11 |
| 7.1 Rates | 11 |
| 7.2 Supplemental Rate Funding..... | 13 |
| 7.3 Rate and Quality Systems Structure Review | 13 |
| 7.4 Incentive to Retain Licensed Providers..... | 14 |
| ARTICLE 8 - JOINT LABOR MANAGEMENT COMMITTEES | 14 |
| 8.1 Joint Labor Management Committee (JLMC) | 14 |
| 8.2 Capacity JLMC..... | 14 |
| 8.3 Health Benefits Standing JLMC | 15 |
| 8.4 Payment Timeliness and Referral Process JLMC..... | 16 |
| 8.5 Paid Time Off Standing JLMC..... | 16 |
| 8.6 Standing Retirement Benefits JLMC | 17 |
| 8.7 Suspension and Expulsion..... | 17 |
| ARTICLE 9 - DURATION..... | 18 |
| ADDENDA | 19 |
| Addenda 1 COVID-19 Relief Agreement (February 2021)..... | 19 |
| Addenda 2 COVID-19 Relief Agreement (April 2021) | 23 |
| SIGNATURE PAGE | 29 |

PREAMBLE

This Memorandum of Understanding (MOU or Agreement) is entered into by the STATE OF CALIFORNIA, including the State Department of Education, the State Department of Social Services, any other state department or agency, any contractors or subcontractors, and any political subdivisions of the state that are administering a state-funded early care and education program (hereinafter referred to as the State), and CHILD CARE PROVIDERS UNITED (CCPU or Union), pursuant to the Building a Better Early Care and Education System Act (the Act), Education Code section 8430 et seq.

The Act has the purpose to promote quality, access, and stability in the early care and education system by authorizing an appropriate unit of family childcare providers to choose a provider organization to act as their unit's representative on all matters specified in the Act; and to promote full communication between family childcare providers and the state by permitting a provider organization certified as the representative of family childcare providers to meet and confer with the state regarding matters within the scope of representation and other areas as mutually agreed upon in negotiations.

ARTICLE 1 - RECOGNITION

Pursuant to the Public Employment Relations Board Certification SA-PC-1-N, the State recognizes Child Care Providers United (CCPU) as the certified provider organization as defined by Education Code section 8431, subdivision (a), and as the exclusive negotiating agent for all family childcare providers as defined by Education Code section 8431, subdivision (b).

Pursuant to Education Code section 8435 and Government Code section 19815.4, subdivision (i), CCPU recognizes the Director of the California Department of Human Resources or their designee as the Governor's designated representative for meeting and conferring as prescribed in the Act, and shall negotiate exclusively with the Director or their designee, except as otherwise specifically provided for herein.

ARTICLE 2 - REPRESENTATION

2.1 Preservice Meetings and Orientation

In accordance with Section 8439.6 of the Education Code, the state or a department, contractor, subcontractor, or political subdivision of the state shall notify the Child Care Providers United (CCPU) at least 10 days prior when possible or as soon as a meeting or orientation is scheduled. CCPU shall be provided access to the entirety of all online or in-person preservice meetings or orientations for family childcare providers conducted at the local level at the discretion of County Welfare Departments (CWDs) and local contracting agencies, such as but not limited to an Alternative Payment Program (APP), Family Child Care Home Education Network (FCCHEN), and Resource and Referral Agency (R&R), or by the CDSS Community Care Licensing Division (CCLD) Child Care Licensing Program pursuant to Health and Safety Code Section

1596.845. Such CCPU access shall include, and not be limited to, the ability to make a presentation about CCPU and its activities, its negotiations and memorandum of understanding, and membership.

For live preservice meetings or orientations, whether conducted in-person or remotely, the CCPU shall be provided the opportunity to make a presentation at a time provided by the entity conducting the preservice meeting or orientation. There shall be a minimum of thirty (30) minutes provided for the CCPU presentation. The entities conducting pre-service meetings and orientations are encouraged to consider scheduling CCPU toward the middle of the orientations to maximize CCPU-attendee participation.

A. Online

1. At its discretion, CCPU may create and provide a recorded presentation, which may be amended as determined by CCPU, to the state or a department, contractor, subcontractor, or political subdivision of the state offering online preservice meetings or orientations. When CCPU provides such a recorded presentation, it shall be included as part of all preservice meetings and orientations.
2. CCPU may also, at its discretion, have a representative or representatives in attendance for the entirety of online preservice meetings or orientations during the allotted 15 minutes at the end of the preservice meeting or orientation. Such representative(s) shall be provided the opportunity to make presentations, whether or not CCPU has provided a recorded presentation.

Upon the request of CCPU, the parties will share the backend data of who participated, how they answered poll questions, etc. as deemed permissible to share.

B. In-person

CCPU may bring any concerns regarding Preservice Meetings and Orientations to the JLMC established in Article 8 of this Agreement.

C. Lists of Participants

Upon completion of any online or in-person preservice meetings and orientations, CCPU shall be provided with a list of providers who attended such meetings or orientation trainings in the event a preservice meeting or orientation is scheduled for current providers. For preservice meetings or orientations held for prospective providers, CCPU shall be provided with a list of attendees unless an individual has requested not to have their information shared with CCPU.

2.2 Provider Information

The State will provide the Union with a list of Family Childcare Providers electronically on a monthly basis by the fifth (5th) business day of each month. This list will include:

- A. Month in which the service was provided;
- B. Name of all family childcare providers who were paid a subsidy or subsidies in the previous calendar month
- C. Mailing and home address, including county
- D. Cell and work telephone number
- E. Email address, if known
- F. Whether the provider is license-exempt or licensed by the California Department of Social Services
- G. If licensed, state facility license number and license status
- H. Primary language used, if known
- I. Contractor(s), subcontractor(s), agency(ies), or political subdivision(s) of the state administering the state-funded early care and education program in which the provider participates
- J. Unique provider identification number, when available-

To the extent to which any information above is being maintained as unique fields (for example, street address, city, and zip in separate fields), then such data shall be transmitted in existing field format.

2.3 Dues Deduction

The parties agree to establish a Joint Labor Management Committee (JLMC) to facilitate the obligation as set forth in Education Code section 8436. The JLMC will explore and determine a process by which membership dues may be automatically deducted and remitted to CCPU. The JLMC shall meet at least once per month until automatic dues deductions are implemented. The JLMC will consist of equal reasonable number of state representatives selected by the state, and CCPU representatives selected by CCPU. The dates and times of meetings shall be mutually determined by the state and CCPU. Nothing in this section shall prohibit CCPU from unilaterally taking steps to implement the provisions of Education Code section 8436.

ARTICLE 3 - PREROGATIVES RESERVED FOR THE STATE OF CALIFORNIA

All State rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with the State. Nothing in this MOU is intended to change or interfere with the requirements governing licensing or enforcement thereof set forth in the California Child Day Care Facilities Act (Chapter 3.4 (commencing with Section 1596.70), Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) of Division 2 of the Health and Safety Code) and California Code of Regulations (Title 5). Nothing in this MOU is intended to interfere with the ability of the State, the State Department of Education, the State Department of Social Services, another department or agency, or a political subdivision of the State to comply with the requirements of federal grants or federal funding.

The rights of the State include, but are not limited to the exclusive right to establish the State's missions, programs, objectives, activities, and priorities in accordance with applicable federal and state law; plan, direct, and control the use of resources to achieve the State's missions, programs, objectives, activities, standards, guidance, and priorities for state-funded early care and education programs; take all necessary actions to carry out its mission in emergencies; maintain and promote the efficiency of public operations entrusted to the State; to adopt, amend, or repeal in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code any rules and regulations which may be necessary to carry out its duties.

ARTICLE 4 - GENERAL PROVISIONS

4.1 No-Strike

During the term of this Agreement, neither CCPU, including its agents and staff, nor any family childcare provider, for any reason, will authorize, instigate, institute, aid, condone, or engage in a work slowdown, work stoppage, strike, sympathy strike, unfair labor practice strike, or any other interference with state-subsidized child care.

CCPU shall notify all of its officers, agents, staff, and all family childcare providers of their obligation and responsibility to maintain compliance with this section, including the responsibility to continue providing state-subsidized child care during an interruption which may be caused or initiated by others, and to encourage providers violating this section to resume providing state-subsidized child care.

Nothing in this section shall be construed to prohibit a licensed family daycare home from discharging, suspending, demoting, or otherwise disciplining any of its employees who violate this section.

Nothing in this section shall be construed to limit the ability of the State Department of Social Services from taking any action to ensure the health and safety of children in care pursuant to the Child Day Care Facilities Act (Chapter 3.4 (commencing with

Section 1596.70), Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) of Division 2 of the Health and Safety Code).

4.2 No Reprisals

The parties agree that the state, any political subdivision, contractor, or subcontractor charged with the administration of a state-funded early care and education program shall not interfere with, intimidate, retaliate, restrain, coerce or discriminate against any family childcare provider because of the exercise of the provider's rights granted pursuant to this Agreement, and the Building a Better Early Care and Education System Act.

4.3 Entire Agreement

This Agreement sets forth the full and entire understanding of the parties regarding the matters contained herein, and any other prior or existing understanding or agreement by the parties, whether formal or informal, regarding any such matters are hereby superseded. Except as provided in this Agreement, it is agreed and understood that each party to this Agreement voluntarily waives its right to negotiate with respect to any matter raised in negotiations or covered by this Agreement, for the duration of the Agreement.

4.4 Savings Clause

Should any provisions of this Agreement be found unlawful by a court of competent jurisdiction or be invalidated by subsequently enacted legislation, the remainder of the Agreement shall continue in full force and effect. Upon the invalidation of any provision of this Agreement by such court decision or legislation, the parties shall meet as soon as practicable to attempt to renegotiate the terms of the invalidated provision(s).

4.5 Legislation

CCPU will notify CalHR of any legislation that it sponsors which, to its knowledge, has an effect on this Agreement.

CalHR will notify the Union of any legislation CalHR, the State Superintendent of Public Instruction at the California Department of Education, or the California Department of Social Services sponsors which, to its knowledge, has an effect on this Agreement.

These notifications shall occur after introduction of an applicable bill by the Legislature.

4.6 Individual Agreements

The State shall not negotiate with or enter into memoranda of understanding with one or more family childcare providers, amend final grievance responses, or grant rights or benefits not covered in this Agreement to any family childcare provider unless such action is with CCPU concurrence.

4.7 Non-Discrimination

The parties agree that a state agency or department charged with the administration of any state-funded early care and education program will not discriminate against a family childcare provider because of that person's actual or perceived race, color, creed, religion, sex/gender, national origin, ancestry, physical disability, mental disability, medical condition, HIV/AIDS status, genetic information, marital status, age, political affiliation or opinion, gender identity, gender expression, sexual orientation, military or veteran status, or other protected category under the law. A family childcare provider may file a complaint with any entity or jurisdiction vested with investigating and addressing such matter, including, but not limited to, the Department of Fair Employment and Housing (DFEH), the federal Equal Employment Opportunity Commission (EEOC), and the Equal Employment Opportunity Offices of the Department of Social Services, Department of Education, or a local agency that administers a state-funded early care and education program.

Nothing in this provision changes the family childcare providers' status as employees or independent business owners or classifies family childcare providers as public employees. This provision does not, for any purpose, create an employer-employee relationship between family childcare providers and the state, any agency or department of the state, any political subdivision of the state, or a contractor or subcontractor administering a state-funded early care and education program.

This section shall not be subject to the Grievance and Arbitration Procedure of this Agreement.

Alleged violations of this section may be brought to the Joint Labor Management Committee provided for in Article 8 to assess, if any, inequitable impacts of the policies and practices of a state-funded early care and education program.

ARTICLE 5 - GRIEVANCE AND ARBITRATION PROCEDURE

5.1 Purpose

- A. This grievance procedure shall be used to process and resolve grievances arising under this Agreement. Nothing in this procedure shall preempt or otherwise prohibit the parties from engaging in other dispute resolution procedures established by law.
- B. The purposes of this procedure are:
 - 1. To resolve grievances informally at the lowest possible level.
 - 2. To provide an orderly procedure for reviewing and resolving grievances promptly.

5.2 Definitions

- A. A grievance is a dispute between one or more of the parties below involving the interpretation, application, or enforcement of the express terms of this Agreement. Decisions or actions taken by the state that are not contained in this Agreement are not subject to the grievance and arbitration procedures.
- B. As used in this procedure, the term “party” means CCPU, a child care provider, the State, the Department of Social Services, the Department of Education, or County Welfare Departments, and local contracting agencies. “Department” means either the Department of Social Services or Department of Education depending on the nature of the dispute and the appropriate entity to address the matter.

5.3 Time Limits

Each party involved in a grievance shall act quickly so that the grievance may be resolved promptly. Every effort should be made to complete action within the time limits contained in the grievance procedure. However, with the mutual consent of the parties, the time limitation for any step may be extended.

5.4 Waiver of Steps

The parties may mutually agree to waive any step of the grievance procedure.

5.5 Presentation

At any step of the grievance procedure, a party may request a grievance conference. Grievances may not be amended unless by mutual consent once filed at the formal level.

5.6 Informal Discussion

Disputes shall be initially discussed with the applicable parties, and the respondent shall respond in writing within seven calendar days of the discussion.

5.7 Formal Grievance – Step 1

- A. If an informal grievance is not resolved to the satisfaction of the grievant, or the grievant fails to receive a timely response at the informal level as specified above, a formal grievance may be filed no later fourteen (14) calendar days after the child care provider receives the informal grievance response or the applicable due date if there is no response.
- B. A formal grievance shall be initiated in writing and shall be filed with the local agency. Said grievance shall include a statement as to the alleged violation; the specific act(s), dates, and times causing the alleged violation; any names of individuals involved; the specific article of this Agreement allegedly violated; any

steps already taken to resolve the matter; and the specific remedy or remedies being sought.

- C. Within fourteen (14) calendar days after receipt of the formal grievance, the person designated as the first formal level of appeal shall respond in writing to the grievant. A copy of the written response shall be sent concurrently to CCPU by the designee.

5.8 Formal Grievance – Step 2

- A. If the grievant is not satisfied with the decision rendered pursuant to Step 1, or does not receive a timely decision as specified above, the grievant may appeal the decision within fifteen (15) calendar days after receipt, or the applicable due date if there is no response, to the person designated as the applicable department's formal level of appeal.
- B. Within thirty (30) calendar days after receipt of the appealed grievance, the department designee shall respond in writing to the grievance. A copy of the written response shall be sent concurrently to CCPU and CalHR by the department designee.

5.9 Formal Grievance – Step 3

- A. If the grievance is not resolved at Step 2, within thirty (30) calendar days after receipt of the second level response, CCPU shall have the right to submit the grievance to arbitration by making the request to CalHR. If the grievance is not submitted to arbitration within thirty (30) calendar days after receipt of the third level response, it shall be considered withdrawn.
- B. Within fifteen (15) calendar days after the notice requesting arbitration has been served on the State, CCPU shall contact the State to mutually select an arbitrator. If the parties cannot mutually agree upon an arbitrator within forty-five (45) calendar days after the request to select an arbitrator has been served, CCPU may request the State Mediation and Conciliation Service or the Federal Mediation and Conciliation Service to submit to both parties a panel of nine (9) arbitrators. Within fifteen (15) calendar days after receipt of the panel of arbitrators from the State Mediation and Conciliation Service or the Federal Mediation and Conciliation Service, CCPU shall contact the State in writing and request to strike names from the panel. The parties shall have ten (10) business days to meet and alternately strike names until only one name remains and this person shall be the arbitrator.
- C. CCPU shall have one hundred eighty (180) calendar days after appealing the grievance to request in writing to strike for arbitrators. If the request to strike arbitrators is not made within one hundred eighty (180) calendar days, the grievance shall be considered withdrawn and CCPU may not proceed to arbitration.

- D. The arbitration hearing shall be conducted in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association. The cost of arbitration shall be borne equally between the parties unless the parties mutually agree to a different arrangement.
- E. An arbitrator may, upon request of CCPU and the State, issue the arbitrator's decision, opinion, or award orally upon submission of the arbitration. Either party may request that the arbitrator put the arbitrator's decision, opinion, or award in writing and that a copy be provided.
- F. The arbitrator shall not have the power to add to, subtract from, or modify this Agreement. Only grievances as defined in this section shall be subject to arbitration. In all arbitration cases, the award of the arbitrator shall be final and binding upon the parties.

ARTICLE 6 - TRAINING AND WORKFORCE PATHWAYS

6.1 CCPU/State of California Joint Training Partnership

Training Fund and Contribution

To expand and strengthen training opportunities for family childcare providers, the parties agree to establish a Training Partnership Fund to be known as the Joint CCPU/State of California Training and Education Partnership Fund (the "Fund") to be established for the purpose of creating a program for addressing the workforce needs of the state of California as well as the career, knowledge, and skill aspirations of all family childcare providers. The State shall appropriate one-time forty million dollars (\$40,000,000) for this purpose upon the ratification of this Agreement. Allocated funding must be liquidated by September 30, 2022; any unliquidated funds as of September 30, 2022, shall revert to the State for investment in existing workforce pathways or professional development projects.

Specifically, the training supported by the Fund shall be determined by the committee described below and will include, but not be limited to, the following:

1. The cognitive, social, emotional, and physical development of children and approaches to learning.
2. Trauma-informed practices and care.
3. Family engagement.
4. Dual language learners.
5. Racial and Cultural Diversity
6. Apprenticeships, Pre-apprenticeships, and On-the-Job Learning programs

7. Additional topics, such as small business operations, learning approaches for special needs children, evidence-based curriculum, design and layout of child care spaces, self-care, and development of FCC providers as mentors.

Appropriate uses for the Fund shall also include training and professional development expenses; computers, books and other equipment to facilitate learning; coaching, mentors and other staff; and monetary incentives for completed training, education, and other degree requirements, subject to the ARPA Stabilization funding requirements.

Training Fund Committee

The parties agree to establish a Joint Labor Management Committee (JLMC) to determine how the appropriated funds will be utilized in accordance with the intent provided above, and to discuss access to current and proposed trainings for family childcare providers. The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon. The JLMC will consult with entities named in Education Code section 8439.8, as that section read on June 15, 2021. The JLMC shall meet at least monthly unless otherwise agreed to by both parties. The dates and times of meetings shall be mutually determined by the members of the JLMC.

The JLMC may provide a report to the California Department of Social Services and California Department of Education of the JLMC's recommendations for potential changes to current training requirements and/or for new training requirements for family child care providers, including, but not limited to, improving communication, coordination, accessibility, and support around existing training, education, and quality improvement training; developing new trainings and/or making changes to existing trainings, if such needs are identified; expanding access to and availability of existing and/or new trainings; developing and modifying existing training requirements providers need to complete and any other topics that support providers in promoting the health, safety, and development of children in care and improve upon the quality of care services for families.

The JLMC shall determine how to ensure CCPU represented providers have full access to the Quality Counts California Workforce Pathways Grants and any other training programs that CDSS or CDE creates, develops or augments during the term of this agreement.

The intent of all training, education, and professional development opportunities is to maximize participation for providers and their staff and reduce cost and other obstacles to participation.

6.2 Training Registry

Family childcare providers shall be encouraged to register with a central training registry to be determined by the Department of Social Services. The State and CCPU agree to

encourage the use of, and promote, the services of the training registry. The Training JLMC shall receive monthly reports from the registry to better understand training utilization.

ARTICLE 7 – RATES AND INCENTIVES

If at any time there is a need for any provider to update their rate sheet, they shall be afforded the opportunity to do so. Such updated rates shall be effective within sixty (60) days of their submission.

7.1 Rates

For licensed family childcare:

- A. Emergency Stabilization Rate: Starting January 1, 2022, and through June 30, 2023, the State of California shall increase the current Regional Market Rate ceilings as established in Education Code Section 8357 and as applicable to alternative payment programs pursuant to Article 3 (commencing with Section 8220) of, and CalWORKs child care pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, and the Emergency Child Care Bridge Program for Foster Children pursuant to Article 6 (commencing with Section 11461.6) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, as those sections read on May 15, 2021, from their current level at the 75th percentile of the 2016 Regional Market Rate survey or the regional market rate ceiling that existed in that region on December 31, 2017, whichever is greater, to the 75th percentile of the 2018 Regional Market Rate survey for that region, including hourly, daily, weekly, and monthly, for both full- and part-time reimbursement categories.

Rate Hold Harmless: Should this change result in a lower rate in any category for any licensed family childcare provider, the provider will continue to be reimbursed at the rate that existed on December 31, 2021.

- B. For migrant child care and development programs pursuant to Article 6 (commencing with Section 8230) of, California state preschool programs pursuant to Article 7 (commencing with Section 8235) of, general child care and development programs pursuant to Article 8 (commencing with Section 8240) of, family child care home education networks pursuant to Article 8.5 (commencing with Section 8245) of, or child care and development services for children with special needs pursuant to Article 9 (commencing with Section 8250) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, as these sections read on May 15, 2021, who currently receive the rate established in Education Code Section 8265, as it read on May 15, 2021: Commencing January 1, 2022, and through June 30, 2023, the reimbursement rate shall be set at the greater of the 75th percentile of the 2018 regional market rate survey or the per-child reimbursement amount as of December 31, 2021.

C. For migrant child care and development programs pursuant to Article 6 (commencing with Section 8230) of, California state preschool programs pursuant to Article 7 (commencing with Section 8235) of, general child care and development programs pursuant to Article 8 (commencing with Section 8240) of, family child care home education networks pursuant to Article 8.5 (commencing with Section 8245) of, or child care and development services for children with special needs pursuant to Article 9 (commencing with Section 8250) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, as these sections read on May 15, 2021, who currently receive the rate established in Education Code Section 8265, as it read on May 15, 2021: Commencing July 1, 2021, these programs shall receive a cost of living adjustment to the reimbursement rates of 4.05 percent for the 2021-22 fiscal year, which would take the place of the cost of living adjustment specified in Education Code Section 42238.1 for the 2021-22 fiscal year.

For license-exempt family childcare providers:

D. Starting January 1, 2022, and through June 30, 2023, license-exempt family childcare provider rates shall be increased from up to 70 percent of the licensed family daycare home rate established pursuant to the 75th percentile of the 2016 regional market rate survey, to 70 percent of the licensed family daycare home rate established pursuant to the 75th percentile of the 2018 regional market rate survey for that region or the regional market rate ceiling that existed in that region on December 31, 2017, whichever is greater, including hourly, daily, weekly, and monthly, for both full- and part-time reimbursement categories.

Provider Survey:

In addition to any requirements regarding an updated provider rate sheet as required pursuant to Title 5 of the California Code of Regulations Sections 18224, 18413, and 18428 and any other applicable law, family childcare providers (provider) will be required to provide the following information via an application or survey, in order to receive a rate increase, and in accordance with federal requirements for American Rescue Plan Act Child Care Stabilization Funds:

- Provider address, including zip code;
- Race and ethnicity of family childcare provider;
- Gender of family childcare provider;
- Whether the provider is open and available to provide child care services or closed due to the COVID-19 public health emergency;
- What types of federal relief stipends have been received from the State;
- How funds were used; and

- Documentation to show the provider met required certifications as federally required.

Adjustment Factors Posting:

These adjustment factors, along with the reimbursement rate categories contained in 5 CCR § 18075, shall be posted on the state-administered websites that list RMR ceilings.

7.2 Supplemental Rate Funding

Effective January 1, 2022, the state will appropriate one-hundred forty-four million and five-hundred thousand dollars (\$144,500,000) per fiscal year, a total of two-hundred eighty-nine million dollars (\$289,000,000) over the term of 24 months from January 1, 2022, to be used as an upfront down payment and ongoing investment in addressing equity in, and increasing, reimbursement rates for all childcare providers covered by this Agreement and as anticipated in the Rate and Quality Systems Structure Review section of this Agreement. Use of the funding may be for monthly rate adjustments or lump bonuses at the discretion of CCPU. The methodology established by CCPU with technical assistance by the state to determine use of this funding shall be subject to review and approval by the state to ensure it is feasible to implement.

7.3 Rate and Quality Systems Structure Review

The State and CCPU shall establish a JLMC to create a single reimbursement rate structure that addresses quality standards for equity and accessibility to all family childcare providers and supports positive learning and developmental outcomes for children.

The new rate structure should further the progress made with the Supplemental Funding in Article 7.2 of this agreement regarding the ongoing costs of providing quality family child care, meeting families' unmet child care needs, and changes needed to reimbursement rates and benefits to address providers' actual cost of care and address systemic inequities.

The new rate structure shall be presented to the Department of Finance for inclusion in the Governor's Proposed Budget presented to the Legislature by January 2023. The new rate structure would thereafter be adjusted through collective bargaining.

The State and CCPU shall jointly determine the size and composition of the JLMC; the JLMC shall, at a minimum, include representatives of the State and CCPU, and shall also invite additional experts and/or stakeholders as deemed necessary and mutually agreed upon. The State will dedicate staff to support the work of the JLMC. The State shall secure a contractor, in consultation with the JLMC, to develop recommendations for rate reform and changes to the system of quality projects and programs.

The JLMC will meet initially within 30 days of ratifying this Agreement and no less than once per month thereafter.

7.4 Incentive to Retain Licensed Providers

The State shall appropriate three million one hundred and sixty thousand dollars (\$3,160,000) one-time for the purpose of providing incentive payments to family child care providers who become and remain licensed, as outlined below.

When any unlicensed individual obtains a Family Daycare Home license on or after June 28, 2021, and has maintained an active license for twelve (12) consecutive months, such provider shall receive a one-time incentive payment in the amount of five hundred dollars (\$500) to be distributed by the State Department of Social Services. These incentive payments shall be provided to the extent that appropriated funds are available or until June 30, 2023, whichever comes first.

ARTICLE 8 - JOINT LABOR MANAGEMENT COMMITTEES

8.1 Joint Labor Management Committee (JLMC)

- A. The State and CCPU encourage the use of Labor Management Committees to address issues of mutual concern in a problem-solving context. Upon request of either party, a Joint Labor Management Committee (JLMC) shall be established to address specific or ongoing issues.
- B. An established JLMC shall adhere to the following guidelines unless otherwise expressly modified by this Agreement:
 - 1. The JLMC will consist of equal reasonable number of state representatives selected by the state and CCPU representatives selected by CCPU.
 - 2. JLMC recommendations, if any, will be advisory in nature.
 - 3. JLMC meetings shall not be considered contract negotiations and shall not be considered a substitute for the grievance procedure.
 - 4. Dates and times of meetings and agendas of the JLMC's shall be mutually determined by the members of the JLMC.

8.2 Capacity JLMC

The Master Plan for Early Learning and Care lifts up the need to maximize accessibility and options for families by expanding child care supply, pointing out that equitable access to early learning and care depends upon families having a choice of program settings near their homes or work. Furthermore, child care options are limited as parents return to work, with the expansion of child care slots, and are even more limited for parents seeking care in nonstandard hours.

Further, it is the intent of CCPU and the State of California to establish a Joint Labor Management Committee (JLMC) that will review issues related to addressing child care deserts and meeting the additional child care capacity necessary to serve families as

California increases subsidized child care investment in part by exploring topics related to the maximum number of children for whom a licensed family childcare provider is authorized to provide care, also known as “licensed capacity”. The JLMC shall conform to the standards established in Article 8 - Joint Labor Management Committees JLMCs. The State and CCPU share the goals of improving how current guidelines impact families and providers and maximizing licensed capacity while offering high quality child care and early education and benefiting families’ well-being, and will develop a joint proposal to do so. Topics to discuss include, and are not limited to:

- A. addressing barriers that prevent small licensed family daycare homes from converting to large licensed family daycare homes,
- B. revisiting the age definition of infants and other children,
- C. exploring increases to family daycare home licensed capacity,
- D. discussing grace periods to licensing ratios for parents who are late for pickups to improve equitable access for families using nonstandard hour care, and
- E. waiver to capacity limits if needed to provide care for siblings in the same family.

The JLMC will meet at least monthly and will consult with the California Department of Social Services (CDSS) Child Care Licensing Program subject matter experts such as the Child Care Law Center, parent groups such as the Parent Voices, the California Resource & Referral Network, and other appropriate stakeholders. The State and CCPU agree to work to implement any joint recommendations from this JLMC. Joint recommendations may only be reached by mutual agreement.

8.3 Health Benefits Standing JLMC

The State and CCPU agree to establish a standing Health Benefits Joint Labor Management Committee (JLMC) to discuss access to quality affordable healthcare benefits for all CCPU bargaining unit members. The committee shall work towards joint recommendations on how to achieve access to quality affordable healthcare including any immediate steps that may be taken to begin supporting those providers that currently do not have access to high-quality healthcare or may not be able to afford it. The first task of the committee shall attempt to make recommendations on what could be done to immediately improve access to healthcare for providers in time to be considered by the current legislative cycle that ends on September 10, 2021. The State and CCPU agree to work in partnership to execute any joint recommendations this JLMC may propose. Joint recommendations may only be reached by mutual agreement.

The Health Benefits JLMC shall meet a minimum of one meeting a month with its initial meeting occurring no later than July 15, 2021.

The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and

may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon.

8.4 Payment Timeliness and Referral Process JLMC

The State and CCPU agree to establish a standing payment timeliness and referral process Joint Labor Management Committee (JLMC) to discuss the following topics:

- How to improve the referral processes of political subdivisions, contractors, or subcontractors charged with the administration of a state-funded early care and education program, as defined in subdivision (f) of Section 8431 of the California Education Code.
- Information to be Included with payments to providers.
- Improve the current practices so providers receive timely, regular and accurate payments for care provided.
- Improve current practices so providers can be made whole expediently when underpayments occur.
- Create a fair process to resolve overpayment issues.

The committee shall work towards joint recommendations on the topics listed above. The first task of the committee shall be to attempt to make recommendations on what could be done to immediately fix any issues and barriers to providers receiving timely payments as well as a clearer and more streamlined referral process. The State and CCPU agree to work in partnership to execute any joint recommendations this JLMC may propose. Joint recommendations may only be reached by mutual agreement.

The Payment timeliness and Referral process JLMC shall meet a minimum of one meeting a month with its initial meeting occurring no later than July 15, 2021.

The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon.

8.5 Paid Time Off Standing JLMC

The State and CCPU agree to establish a standing Paid Time Off Joint Labor Management Committee (JLMC) to discuss access to meaningful Paid Time Off for all CCPU bargaining unit members. The committee shall work towards joint recommendations on how to ensure providers have access to meaningful paid time off so they can rest and recover from illness when necessary. The first task of the committee shall be to attempt to make recommendations on what could be done to immediately increase any current paid time off for providers in time to be considered by the current legislative cycle that ends on September 10. The State and CCPU agree to

work in partnership to execute any joint recommendations this JLMC may propose. Joint recommendations may only be reached by mutual agreement.

The Paid Time Off standing JLMC shall meet a minimum of one meeting a month with its initial meeting occurring no later than July 15, 2021.

The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon.

8.6 Standing Retirement Benefits JLMC

The State and CCPU agree to establish a standing Retirement Benefits Joint Labor Management Committee (JLMC) to discuss access to retirement benefits for all CCPU bargaining unit members. The committee shall work towards joint recommendations on how to provide access to retirement benefits for providers including any immediate steps that may be taken to begin supporting those providers that currently have been providing care and early education to children for an extended period of time. The first task of the committee shall be to attempt to make recommendations on what could be done to immediately improve access to retirement benefits for providers in time to be considered by the current legislative cycle that ends on September 10, 2021. The State and CCPU agree to work in partnership to execute any joint recommendations this JLMC may propose. Joint recommendations may only be reached by mutual agreement.

The Retirement Benefits JLMC shall meet a minimum of one meeting a month with its initial meeting occurring no later than July 15, 2021.

The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon.

8.7 Suspension and Expulsion

The *State* and CCPU agree to establish a Joint Labor Management Committee (JLMC) to discuss the suspension and expulsion practices among family childcare providers and make recommendations for potential changes related to prohibiting the expulsion or suspension of a child by a family childcare provider, including access to sufficient resources and/or training for providers and parents to work with all children. In doing so, the JLMC will consider Education Code section 8239.1.

The State and CCPU shall jointly determine the size and composition of the Committee; the Committee shall, at a minimum, include representatives of the State and CCPU, and may also include additional experts and/or stakeholders as deemed necessary and mutually agreed upon.

At any time before the expiration of this Agreement, the committee may decide to publish a report of their findings and recommendations.

ARTICLE 9 - DURATION

This Collective Bargaining Agreement between CCPU and the State of California shall be effective from the date of full ratification and shall remain in full force and effect until July 1, 2023.

ADDENDA

Addenda 1 COVID-19 Relief Agreement (February 2021)

The COVID-19 Relief Agreement dated February 5, 2021 shall be incorporated into this agreement as an addendum.

AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND CHILD CARE PROVIDERS UNITED-CA (CCPU) REGARDING COVID-19 PANDEMIC RELIEF

The State and Child Care Providers United-CA (CCPU) recognize the impacts that the COVID-19 pandemic has had on family child care providers, families, and communities. SB 820 outlines up to \$300 million for child care specific COVID-relief. It has recently been identified statutory changes are needed to expend the first \$300 million in anticipated Coronavirus Response and Relief Supplemental Appropriations Act (H.R. 133) (CARES Act) funding. The parties also acknowledge and agree to continue to collaborate to determine the uses for the anticipated CARES Act funding not already obligated specific to budget year COVID-19 pandemic needs and network preservation, and with any additional funding as it becomes available. Such collaboration is described in the workgroup established below, and shall in no way limit or otherwise modify the obligation of the parties to meet and confer in good faith on mandatory subjects of bargaining. To provide financial aid intended to reduce the economic impacts to family child care providers and families, the parties agree to the following:

1. A flat one-time stipend amount of \$525 per child enrolled in a subsidized child care program will be provided to all subsidized childcare providers operating programs pursuant to Article 3 (commencing with Section 8220), Article 6 (commencing with Section 8230), Article 8 (commencing with Section 8240), Article 8.5 (commencing with Section 8245), Article 9 (commencing with Section 8250), or Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code as these sections read on February 3, 2021. Stipends will be issued based on the most recent available program data for November 2020 enrollment data available upon ratification. The stipends may be used to support providers for child care COVID-19 pandemic relief, such as decreased enrollment, increased costs associated with distance learning, and other increased costs to support child care providers. This funding is subject to the CARES Act usage limitations and federal and state program eligibility requirements. Four weeks from the date of ratification of this agreement, the State will communicate the progress on the issuance of payments.
2. Effective upon ratification, up to a total of 40 non-operational days will be made available, an increase of 16 paid non-operational days for voucher-based providers beginning on September 1, 2020 through June 30, 2021. These additional authorized non-operational days will support alternative payment programs pursuant to Article 3 (commencing with Section 8220), and migrant alternative payment programs pursuant to Article 6 (commencing with Section 8230), Article 8.5 (commencing with Section 8245), Article 15.5 (commencing

with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, as well as Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code as these sections read on February 3, 2021, to reimburse providers for providing short-term child care to eligible children when a provider is closed pursuant to SB 820, clause (i) of subparagraph (C) of paragraph (1) of subdivision (d) of Section 60. SB 820 included \$31.25 million for 14 additional non-operational days for AP providers until June 30, 2021, and existing contracts provide 10 days. These additional nonoperational days will be funded out of the money allocated for nonoperational days in SB 820. This funding is subject to the CARES Act usage limitations and federal and state program eligibility requirements.

3. The state and the Union shall establish a workgroup, which shall be subordinate to our current collective bargaining table as described below, to discuss the uses for the anticipated CARES Act funding not already obligated specific to budget year COVID-19 pandemic needs and network preservation. The purpose of establishing this workgroup is to expedite an agreement between the parties to achieve the outcomes below regarding COVID 19 support for Family Childcare Providers. However, either party reserves the right to withdraw from the workgroup at any time and submit the process to our current collective bargaining table. The parties then shall immediately engage to achieve the outcomes and deadlines stipulated below.

Composition: The workgroup will be comprised of participants from the following entities: CCPU and the State of California. The workgroup will be comprised of eight participants from the State and eight participants from CCPU.

Frequency of meetings: The workgroup will convene no less than three times at dates mutually agreeable to accommodate the 2021 May Revision timelines. A timeline and deadline will be provided at the first workgroup meeting.

Outcomes:

- a. The workgroup will focus on identifying areas that should continue to be funded in the 2021-2022 fiscal year, and any revisions proposed therein. The identified areas are subject to the CARES Act usage limitations and federal and state program eligibility requirements.
- b. The parties acknowledge that to fulfill the objective to support families and children there needs to be an increased and focused recruitment of more family child care providers. To this end, the state and the union will also identify how to best provide resources to support providers who may have closed or reduced their operations but may be interested in reopening or expanding their services and identify how to expedite the recruitment of new providers.
- c. The Administration will include the mutually agreed proposal in a 2021-22 May Revision request.

4. Disputes arising from the interpretation, application, or enforcement of the express terms of this agreement shall be subject to the grievance and arbitration process defined herein.

Disputes shall be initially discussed with the parties, and the respondent shall respond in writing within seven calendar days of the discussion.

If the charging party is not satisfied with, or fails to receive, the written response at the initial level, the charging party may advance the dispute through a formal written grievance to the California Department of Human Resources (CalHR) or CCPU, respectively. Written grievances shall be filed within 15 days of receiving the written response, or 15 days from the lapsed date in which a response should have been issued. Written responses to grievances shall be due not later than 15 days from initial receipt of the formal written grievance.

If the grievance is not resolved at the formal written level, the charging party may advance the grievance to expedited arbitration. If the charging party opts to advance the grievance to arbitration, the charging party shall send a written request to arbitrate to CalHR or CCPU, respectively, within 15 calendar days from the receipt of the response, or 15 days from the lapsed date in which a response should have been issued, and if the grievance is not advanced to arbitration within this timeframe, it shall be deemed withdrawn.

Within 15 calendar days after the notice requesting expedited arbitration has been served on CalHR or CCPU, or at a date mutually agreed to by the parties, the parties shall meet to select an arbitrator. If no agreement is reached on the selection of an arbitrator the parties shall, immediately and jointly, request the State Mediation and Conciliation Service or the American Arbitration Association to submit to them a panel of nine (9) arbitrators from which CalHR and CCPU shall alternately strike names until one name remains and this person shall be the arbitrator. If the parties cannot agree from which service to obtain the list of arbitrators, the party requesting arbitration shall pay all costs, if any, of obtaining the list of arbitrators.

The arbitration hearing, itself, shall be conducted in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association. The cost of arbitration, including arbitrator and court reporter fees, shall be borne equally between the parties. Each party shall bear its own fees.

An arbitrator may, upon request of CCPU and the State, issue their decision, opinion, or award orally upon submission of the arbitration. Either party may request that the arbitrator put their decision, opinion, or award in writing and that a copy be provided.

The arbitrator shall not have the power to add to, subtract from, or modify this agreement. In all arbitration cases, the award of the arbitrator shall be final and binding upon the parties.

The timelines specified herein may be modified through mutual consent of the State and CCPU.

5. This agreement shall expire June 30, 2022 unless both parties agree in writing that it shall expire sooner. This agreement may be modified, amended and/or extended in writing by mutual consent. This agreement is a standalone agreement between the parties and shall not be part of the eventual Collective Bargaining Agreement that the parties are working to reach, unless both parties expressly agree to that in writing. Nothing contained in this agreement shall be construed as a proposal for the purposes of reaching a CBA nor shall it adversely count towards any permanent gains in compensations or benefits CCPU may propose.

Dated: February 5, 2021

/s/Candace Hyatt, State of California

/s/Alexa Frankenberg, Child Care Providers United-CA (CCPU)

Addenda 2 COVID-19 Relief Agreement (April 2021)

Upon full ratification of the COVID-19 Relief Agreement dated April 19, 2021 and signed on April 20, 2021, said agreement shall be incorporated as an addendum herein.

AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND CHILDCARE PROVIDERS UNITED-CA (CCPU) REGARDING COVID-19 PANDEMIC RELIEF

The State and Child Care Providers United-CA (CCPU) recognize the impacts that the COVID-19 pandemic has had on child care providers, families, and communities.

Pursuant to the agreement reached between the state and the CCPU on February 5, 2021, the State and CCPU established a workgroup. As a result, and to provide additional financial aid intended to reduce the economic, health and other impacts of the COVID-19 pandemic on child care providers and families, the parties agree to the following:

1. Family Fees

Subject to federal approval and CRRSA Act usage limitations, family fee requirements will be waived for all families receiving subsidized child care services from child care providers operating programs pursuant to Article 3 (commencing with Section 8220), Article 6 (commencing with Section 8230), Article 8 (commencing with Section 8240), Article 8.5 (commencing with Section 8245), Article 9 (commencing with Section 8250), Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, or Chapter 2 (commencing with Section 11461.6) of Part 3 of Division 9 of the Welfare and Institutions Code as these sections read on February 3, 2021, for the period of July 1, 2021, to June 30, 2022. This provision is subject to approval by the Administration for Children and Families (ACF). Contractors will reimburse licensed family child care homes and license-exempt child care providers for the full amount of the certificate or voucher without deducting family fees.

2. Stipends

a. Per-Child Stipends

A flat one-time stipend amount of \$600 per child enrolled in a subsidized child care program or a state preschool program will be provided to all subsidized child care and state preschool providers operating programs pursuant to Article 3 (commencing with Section 8220), Article 6 (commencing with Section 8230), Article 7 (commencing with Section 8235), Article 8 (commencing with Section 8240), Article 8.5 (commencing with Section 8245), Article 9 (commencing with Section 8250), Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, or Chapter 2 (commencing with Section 11461.6)

of Part 3 of Division 9 of the Welfare and Institutions Code as these sections read on February 3, 2021. Stipends will be issued in state fiscal year 2021-22 based on the most recent program enrollment data for March 2021 that is available upon ratification. The stipends may be used to support providers for child care COVID-19 pandemic relief, such as decreased enrollment, increased costs associated with distance learning, and other increased costs to support child care providers, subject to the CRRSA Act usage limitations and federal and state program eligibility requirements. In addition to the flat one-time stipend amount of \$600, administrative funding will be allocated for distributing stipends to these providers. Understanding the urgency of this financial support to stabilize providers, to the fullest extent practicable, the State shall make every effort to expeditiously get stipend payments to providers. The State shall provide no fewer than bi-weekly written updates to CCPU on the timeline and progress of issuing these payments.

b. Licensed Provider Stabilization Stipends

All licensed family child care home providers, including the temporarily closed providers named on the “CCP COVID19 Facility Closures” report provided monthly to CCPU shall receive a flat one-time \$3,500 stipend as follows: stipends will be issued to all family child care home licensees that have a current license on June 25, 2021, and will be subject to review for any facilities with an affirmed revocation that results in closure. Stipends must be used to support COVID-19 pandemic-related relief, such as support for decreased enrollment, increased costs associated with distance learning, and/or other increased costs to support child care providers, subject to the CRRSA Act usage limitations. Other increased costs that the stipends may be used for include cleaning and sanitization, and/or other activities necessary to maintain or resume the operation of programs, including for fixed costs and increased operating expenses due to the pandemic. The intent and expectation of this agreement is for family child care home licensees to share a portion of the stipends directly with their staff in the form of bonuses or incentive pay. In addition to the flat one-time stipends, administrative funding will be allocated for distributing stipends to these providers. Understanding the urgency of this financial support to stabilize providers, including expanding capacity to serve families by enabling temporarily closed providers to reopen, to the fullest extent practicable, the Department of Social Services (DSS) shall make every effort to expeditiously get stipend payments to providers. The DSS shall provide no fewer than bi-weekly written updates to CCPU on the timeline and progress of issuing these payments.

3. Paid Non-Operational Days

Up to a total of 16 paid non-operational days will be made available for voucher-based providers and providers funded by a family child care home education network beginning on July 1, 2021, through June 30, 2022, serving children

through alternative payment programs pursuant to Article 3 (commencing with Section 8220); migrant alternative payment programs pursuant to Article 6 (commencing with Section 8230); family child care home education networks pursuant to Article 8.5 (commencing with Section 8245); child care for recipients of the CalWORKs program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, as well as Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code; and the Emergency Child Care Bridge Program for Foster Children pursuant to Section 11461.6 of the Welfare and Institutions Code as these sections read on February 3, 2021, to reimburse providers for providing short-term child care to eligible children when a provider is closed for COVID-related reasons, subject to the CRRSA Act usage limitations. These paid non-operational days shall include reimbursement for children who are on either a variable or part-time schedule in accordance with section 4a of this agreement.

4. Continuation of Existing COVID-Related Flexibilities

a. Hold Harmless

Effective July 1, 2021, through June 30, 2022, contractors must reimburse Alternative Payment Program providers, including license-exempt providers, and family child care providers operating through a family child care home education network, based on the families' certified need rather than attendance, notwithstanding the requirements set forth in Education Code section 8221.5 as this code section reads on February 3, 2021, subject to the CRRSA Act usage limitations and federal and state program eligibility requirements. Contractors must provide reimbursement to those providers who remain open through June 30, 2022. Providers will be reimbursed based on the family's certified need for services, under the following scenarios:

- Providers must be reimbursed based on the maximum authorized hours of care, regardless of attendance.
- For families certified for variable schedules, providers shall be reimbursed based on the maximum authorized hours of care.
- For license-exempt providers that provide part-time services, providers shall be reimbursed based on the maximum authorized hours of care.

(1) A family child care home education network provider pursuant to Article 8.5 (commencing with Section 8245) as this section reads on February 3, 2021 shall be reimbursed according to the above if they meet one of the following requirements:

(A) The program is open and operating in accordance with their approved program calendar and remains open and offering services through the program year.

- (B) The program operated by the contracting agency is closed by local or state public health order or guidance due to the COVID-19 pandemic.
- (2) Reimbursement pursuant to paragraph (1) shall be 100 percent of the contract maximum reimbursable amount or net reimbursable program costs, whichever is less, pursuant to guidance released by the Superintendent and the Department of Social Services for their respective programs.
- (3) A childcare or preschool program specified in paragraph (1) that is physically closed pursuant to subparagraph (B) of paragraph (1) due to the COVID-19 pandemic, but funded to be operational, shall provide distance learning services as specified by the Superintendent and the Department of Social Services for their respective programs. A contractor specified in paragraph (1) shall submit a distance learning plan to the department overseeing their contract pursuant to guidance from that department.

The reimbursement for providers within this section is separate and additional from the paid non-operational days as cited in section 3.

b. Signature Waiver

For monthly attendance records or invoices from July 1, 2021 through June 30, 2022, or the end of the Governor’s public health emergency declaration, whichever comes first, and notwithstanding subdivision (b) of Section 8221.5 of the Education Code as this section reads on February 3, 2021, if the childcare provider attempts to collect a signature on the monthly attendance record or invoice and the parent or guardian is unable to sign due to the COVID-19 pandemic, the childcare provider may submit an attendance record or invoice without the parent or guardian signature so long as the childcare provider attempts to collect a signature from the parent or guardian, subject to guidance issued by respective departments. Subject to the CRRSA Act usage limitations and federal and state program eligibility requirements.

5. Capacity Building - Investment in the Child Care Initiative Project (CCIP)

- a. Effective July 1, 2021, an additional \$25 million in one-time CRRSA funding (to be spent over multiple years subject CRRSA Act usage limitations and federal requirements and state program eligibility requirements) will be allocated to the existing Child Care Initiative Project (CCIP) to target areas such as child care deserts and where infant and toddler care has the greatest unmet need. The goal of the CCIP is to build home-based licensed child care capacity and enhance the quality of care in every county using a model with five components: assessments of child care supply and demand throughout California, recruitment of individuals to become licensed family child care home providers, training on child

development, health and safety, and business practices, technical assistance, and ongoing support and retention. CCIP funds can be used to support providers who have closed during the pandemic to reopen. Funding shall be allocated and liquidated for this purpose by September 30, 2023. This funding is subject to the CRRSA Act usage limitations.

6. Mental Health Supports

One-time CRRSA funding in the amount of \$10.6 million shall be allocated to expand the California Inclusion and Behavior Consultation (CIBC) project, which provides mental health and behavioral consultation services for child care and development programs in the form of training, technical assistance, consultation and/or materials related to health, safety, trauma-informed practices and children's social-emotional development. Services would be designed to support the expertise, best practices and well-being of providers in order to promote the health, safety, and well-being of children and families impacted by COVID-19. Funding shall be allocated and liquidated for this purpose by September 30, 2023. This funding is subject to the CRRSA Act usage limitations.

7. Mid-year Review

The state and CCPU agree to meet and discuss no later than January 20, 2022 to review the progress of all policies and programs in this agreement. This discussion shall include an update of program and policy utilization and funds remaining and other topics if agreed to by both parties.

8. Disputes arising from the interpretation, application, or enforcement of the express terms of this agreement shall be subject to the grievance and arbitration process defined herein.

Disputes shall be initially discussed with the parties, and the respondent shall respond in writing within seven calendar days of the discussion.

If the charging party is not satisfied with, or fails to receive, the written response at the initial level, the charging party may advance the dispute through a formal written grievance to the California Department of Human Resources (CalHR) or CCPU, respectively. Written grievances shall be filed within 15 days of receiving the written response, or 15 days from the lapsed date in which a response should have been issued. Written responses to grievances shall be due not later than 15 days from initial receipt of the formal written grievance.

If the grievance is not resolved at the formal written level, the charging party may advance the grievance to expedited arbitration. If the charging party opts to advance the grievance to arbitration, the charging party shall send a written request to arbitrate to CalHR or CCPU, respectively, within 15 calendar days from the receipt of the response, or 15 days from the lapsed date in which a response should have been issued, and if the grievance is not advanced to arbitration within this timeframe, it shall be deemed withdrawn.

Within 15 calendar days after the notice requesting expedited arbitration has been served on CalHR or CCPU, or at a date mutually agreed to by the parties, the parties shall meet to select an arbitrator. If no agreement is reached on the selection of an arbitrator the parties shall, immediately and jointly, request the State Mediation and Conciliation Service or the American Arbitration Association to submit to them a panel of nine (9) arbitrators from which CalHR and CCPU shall alternately strike names until one name remains and this person shall be the arbitrator. If the parties cannot agree from which service to obtain the list of arbitrators, the party requesting arbitration shall pay all costs, if any, of obtaining the list of arbitrators.

The arbitration hearing, itself, shall be conducted in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association. The cost of arbitration, including arbitrator and court reporter fees, shall be borne equally between the parties. Each party shall bear its own fees.

An arbitrator may, upon request of CCPU and the State, issue their decision, opinion, or award orally upon submission of the arbitration. Either party may request that the arbitrator put their decision, opinion, or award in writing and that a copy be provided.

The arbitrator shall not have the power to add to, subtract from, or modify this agreement. In all arbitration cases, the award of the arbitrator shall be final and binding upon the parties.

The timelines specified herein may be modified through mutual consent of the State and CCPU.

Unless specific provisions state otherwise, this agreement shall expire June 30, 2023, unless both parties agree in writing that it shall expire sooner. This agreement may be modified, amended and/or extended in writing by mutual consent. This agreement is a standalone agreement between the parties and shall not be part of the eventual Collective Bargaining Agreement that the parties are working to reach, unless both parties expressly agree to that in writing. Nothing contained in this agreement shall be construed as a proposal for the purposes of reaching a Collective Bargaining Agreement (CBA) nor shall it adversely count towards any permanent gains in compensations or benefits CCPU may propose.

Dated: April 20, 2021

/s/Candace Hyatt, State of California

/s/Alexa Frankenberg, Child Care Providers United-CA (CCPU)

SIGNATURE PAGE

To be added at a future date.