



CDE Update: Fiscal Year 2020–21 Rate Increase Application

Contractors in local educational agency-based or center-based programs who currently earn less than the maximum Standard Reimbursement Rate (SRR) are eligible to apply for a rate increase for future fiscal years.

Contractors may apply for a rate increase if they currently earn less than the SRR (\$49.54/day for General Child Care or \$49.85 for California State Preschool Program) and meet one or more of the following criteria:

- The program has suffered the loss of other financial resources (such as community funding or in-kind contributions).
- The contractor must pay prevailing local wage rates to maintain quality.
- The contractor has increased costs directly attributed to new or amended regulations.
- Increased costs are necessary to maintain the prior year's level of service and quality.

Contractors must provide documentation and evidence of the circumstances that lead them to request a higher reimbursement rate.

Note that one-time costs are not eligible for consideration for an ongoing rate increase. Costs associated with COVID-19 are considered to be one-time costs. Agencies should only include costs that will be considered to be ongoing.

The deadline for the application is January 29, 2021. The application for a rate increase may be found at the following link: <https://www.cde.ca.gov/fg/aa/cd/documents/cdnfs31042021.pdf>

If you have questions about this application process, please contact Elena Fong, Fiscal Analyst, Child Development and Nutrition Fiscal Services, by email at efong@cde.ca.gov.