

October 22, 2025

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN (CCB) NO. 25-25

The purpose of this communication is to notify contractors of the requirement to complete and submit a Continued and Expansion Funding Application (CEFA) for California Department of Social Services Child Care and Development programs in order to continue services into the next contract year. Failure to complete a CEFA constitutes notification of a contractor's intent to discontinue services into the next fiscal year.



JENNIFER TROIA
DIRECTOR

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DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

October 22, 2025

CHILD CARE BULLETIN (CCB) NO. 25-25

GUIDANCE TYPE: INFORMATIVE

TO: EXECUTIVE OFFICERS AND PROGRAM DIRECTORS OF CHILD CARE AND DEVELOPMENT PROGRAMS FUNDED BY OR THROUGH THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

SUBJECT: CONTINUED AND EXPANSION FUNDING APPLICATION FISCAL YEAR (FY) 2026-27

APPLICABLE PROGRAMS: ALTERNATIVE PAYMENT PROGRAMS, CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) STAGES TWO AND THREE, GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS, FAMILY CHILD CARE HOME EDUCATION NETWORKS, MIGRANT CHILD CARE ALTERNATIVE PAYMENT PROGRAMS, MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS, MIGRANT SPECIAL SERVICES PROGRAMS, RESOURCE AND REFERRAL PROGRAMS, CHILD CARE AND DEVELOPMENT PROGRAMS FOR CHILDREN WITH SPECIAL NEEDS

REFERENCE: [TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS \(5 CCR\) SECTION 18010; 5 CCR SECTION 18024; SENATE BILL \(SB\) 163 \(CHAPTER 73, STATUTES OF 2024\); WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 10244](#)

Purpose

The purpose of this communication is to announce availability of the Continued and Expansion Funding Application (CEFA) to the contractors of the applicable programs

listed above. Current contracting agencies must submit a completed CEFA to the California Department of Social Services (CDSS) by **December 19, 2025, at or before 11:59 p.m.** to continue services in the subsequent contract period. Failure to submit a completed CEFA by the deadlines described in this Child Care Bulletin (CCB) constitutes notification to CDSS of a contractor's intent to discontinue services at the end of the current contract period.

This new application includes a feature for contractors to request expansion funding. **Award of expansion funding is subject to availability.**

It is recommended that each contractor review the application as soon as possible to ensure appropriate time and resources are reserved to complete the process. The Child Care and Development Division (CCDD) will host the following technical assistance sessions:

1. Informational Webinar on October 27, 2025, 9:30 a.m. to 12:00 p.m.
2. Office Hour Session One on November 18, 2025, 3:00 p.m. to 4:00 p.m.
3. Office Hour Session Two on December 4, 2025, 11:00 a.m. to 12:00 p.m.

Registration links for the above technical assistance sessions can be found on the [CEFA web page](#).

Authority

[Section 18010\(a\) of Title 5 of the California Code of Regulations \(CCR\)](#) states, "Contractors have no vested right to a subsequent contract." CDSS offers contractors the opportunity to continue services in a subsequent contract through the CEFA process.

[5 CCR 18010\(d\)](#) states, "Contractors that intend to accept the offer to continue services in the subsequent contract period shall respond to a continued funding application request from the [CCDD] in accordance with the instructions and timelines specified in the request."

[5 CCR 18010\(e\)](#) states, "Failure to respond within the timelines specified in the continued funding application request shall constitute notification to the [CCDD] of the contractor's intent to discontinue services at the end of the current contract period unless the contractor has received a written extension of the original timeline from the [CCDD]."

Failure to respond to requests from the CCDD for additional information during the CEFA process will result in the application being deemed incomplete.

Background

Currently, existing General Child Care and Development (CCTR) contractors request CCTR expansion funding through the CCTR Expansion Request for Application (RFA). Existing CCTR contractors complete the Continued Funding Application (CFA) to apply

to continue their contracted funding for the following fiscal year. New contractors with no contracting history use the RFA process to request funding. The community of existing CCTR contractors provided feedback directly to the CCDD, through the state budget process during legislative hearings, that favors implementing (1) a less rigorous application process, and (2) an application process with a shorter timeline.

On July 2, 2024, Governor Newsom signed [SB 163](#). This legislation added [WIC Section 10244](#) stating, in pertinent part, “the department shall develop and implement a streamlined request for application process for current child care and development program contractors to award new childcare and development program contracts.” The intent of the CEFA is to reduce the administrative burden and issue funding expediently for eligible existing contractors.

Beginning with the FY 2026-27 application, the CFA will be transitioned to the CEFA. The CEFA process will be how contractors of the programs listed on page 1 of this CCB seek funding for the subsequent contract period.

The CEFA includes an Interest in Expansion Section for existing CCTR contractors to express interest in expansion funding, subject to availability. For CCTR, if the contractor indicates that (1) they currently have a CCTR contract, and (2) they are interested in expansion funding, they will be given the option to complete the Interest in Expansion Section of the application.

The eligibility criteria for expansion funding are listed below:

- Contractor is a current contractor with the CDSS for a CCTR program,
- Contractor is not on Provisional or Conditional contract status,
- Contractor has no outstanding funding from a previous CCTR RFA,
- Contractor is in good standing with no current audit, programmatic and/or fiscal issues, and
- Contractor has the license capacity for expansion funding.

Eligibility for expansion funding will only be available to agencies that meet the above criteria to ensure they are in good standing with the state in terms of programmatic and fiscal compliance, and contract earnings. **Awards for expansion funding are subject to funding availability.**

Application Submission Requirements

The FY 2026-27 CEFAs will be completed via an online application. The instructions, application link, webinar and office hours registration links, and all required documents can be found on the [CEFA web page](#).

Please note that agencies are required to obtain approval from their governing board authorizing the signer to contract with the CDSS for the purpose of providing child care and development services and to authorize the designated personnel to sign contract

documents for FY 2026-27. It is important that public agencies seek board approval ahead of time to fulfill this requirement of the CEFA.

Applications must be received on **December 19, 2025, at or before 11:59 p.m.**

If you have any questions or experience difficulties with any part of the online application, please email CEFA@dss.ca.gov.

This CEFA is only available for CDSS Child Care and Development Program contract types. Agencies applying for continued funding for the California State Preschool Program (CSPP) contract type must contact the California Department of Education (CDE) directly.

Notice of Renewal

Child Care and Development (CCD) Direct Service and Alternative Payment Contractors who apply and receive approval for continued funding do not need to sign and return a CCD contract to provide services for FY 2026-27.

By completing and returning the FY 2026-27 CEFA, a contractor indicates that it wishes to automatically renew its CCD contract for FY 2026-27 and is willing to accept all of the terms and conditions of such contract, which will be provided to all CCD contractors being renewed for funding no later than July 1, 2026. The CCD contractors may subsequently reject the terms of the new contract and opt not to renew their services under the terms of the new contract by providing written notice to the CDSS no later than June 30, 2026. If a contractor does not wish to renew its contract, they should contact their [Program Quality and Improvement Branch \(PQIB\) Consultant](#).

Please note that contractors have no vested right to a subsequent contract.

Contract Terminations

Per [5 CCR 18024](#), contractors may terminate the contract for any reason during the contract term. The contractor must notify the CCDD of their intent to terminate the contract at least ninety (90) calendar days prior to the date the contractor intends to terminate the contract. The notification must be on the contractor's official letterhead and signed by a representative authorized to sign contract documents. This notification letter must be sent to the contractor's assigned [PQIB Consultant](#). Within fifteen (15) days from the date the contractor notifies the CCDD 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.

3. Family Child Care Home and Alternative Payment program 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 CCDD will transfer the program to another contractor as soon as practicable.

If you have any questions or need additional guidance regarding the information in this letter, please contact your assigned [PQIB Consultant](#), or send an email to CEFA@dss.ca.gov.

Sincerely,

Original Document Signed By

LUPE JAIME-MILEHAM, EdD
Deputy Director
Child Care and Development Division