Oregon Department of

Early Learning and Care

Joint Ways & Means Subcommittee on Education Budget Presentation

HB 5013

Alyssa Chatterjee, Early Learning System director

February 27 – March 2, 2023

Schedule

- **Day 1 –** Agency Purpose, Budget, Programs
- **Day 2** – Programs, Office of Child Care, Employment Related Day Care
- **Day 3** – Strategic Priorities, Policy Packages, Looking Ahead

DELC Overview

The Department of Early Learning and Care (DELC) was created to unify and strengthen Oregon's early learning and child care system so that families with young children have access to early learning services, supports and information they need to thrive.

Mission & Vision

Mission

The Department of Early Learning and Care fosters coordinated, culturally appropriate, and family-centered services that recognize and respect the needs of all children, families and early learning and care professionals.

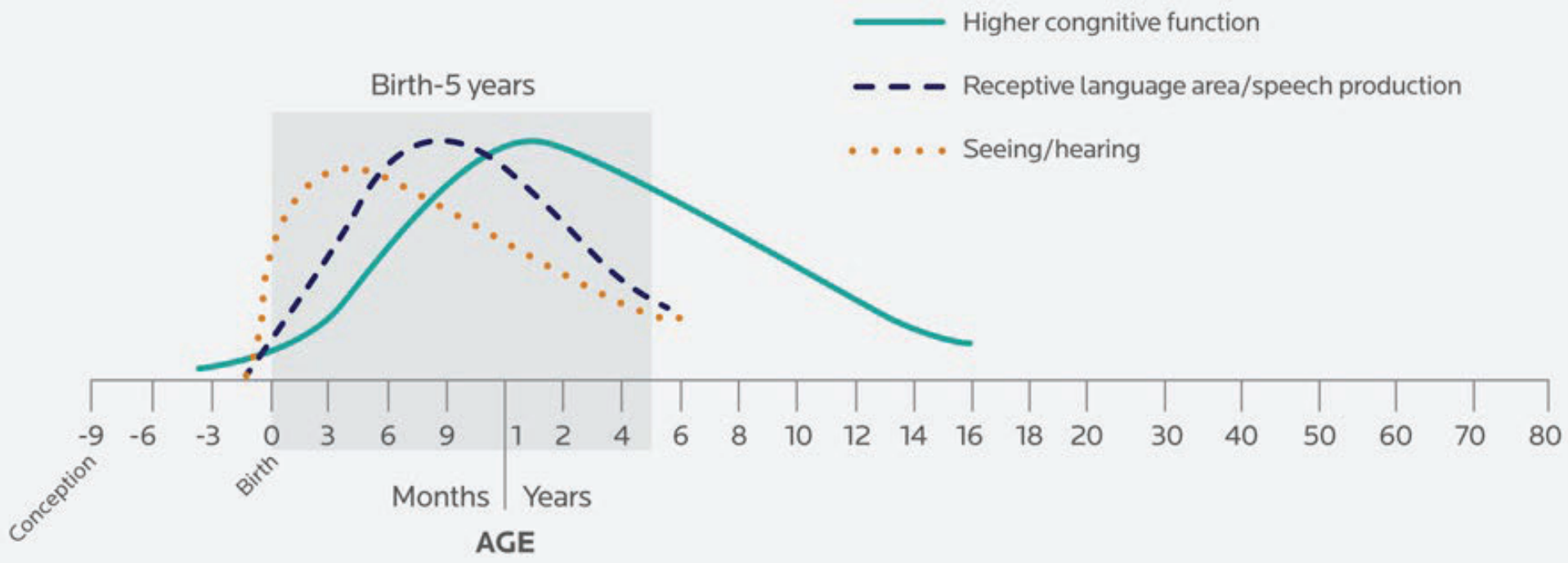
Vision

All children, families, early care and education professionals, and communities are supported and empowered to thrive.

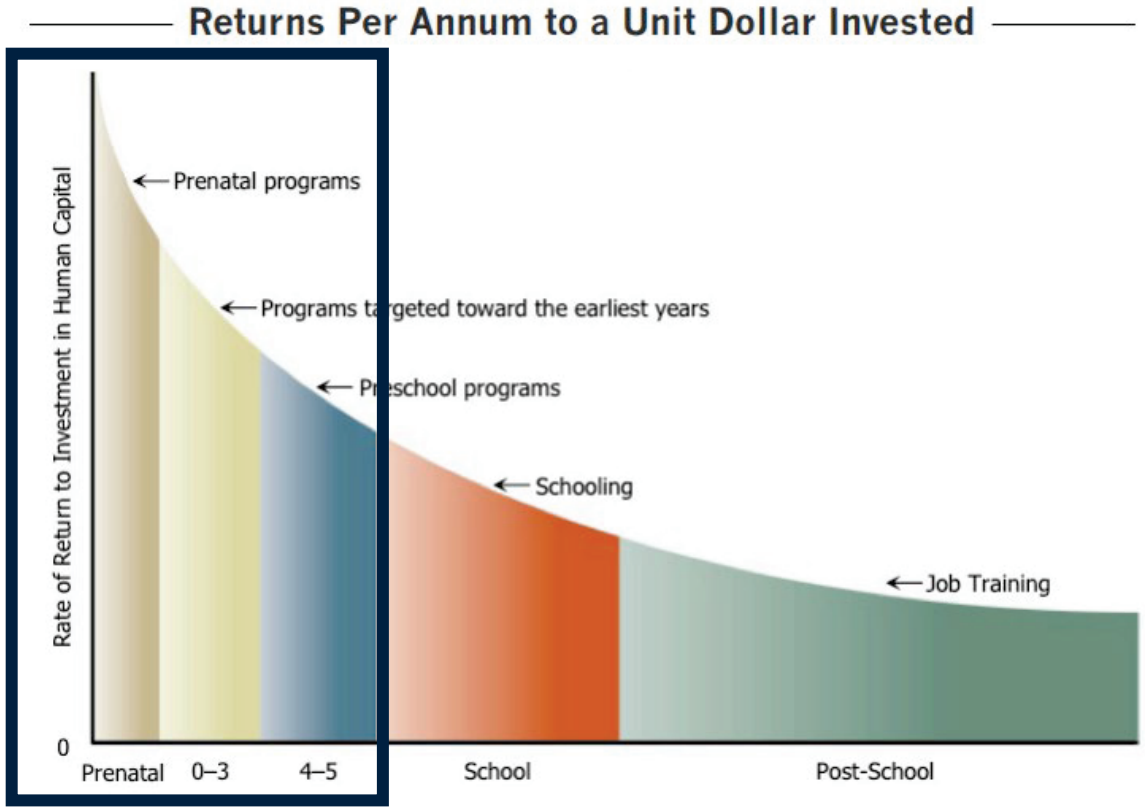
Why Early Learning and Care Matters

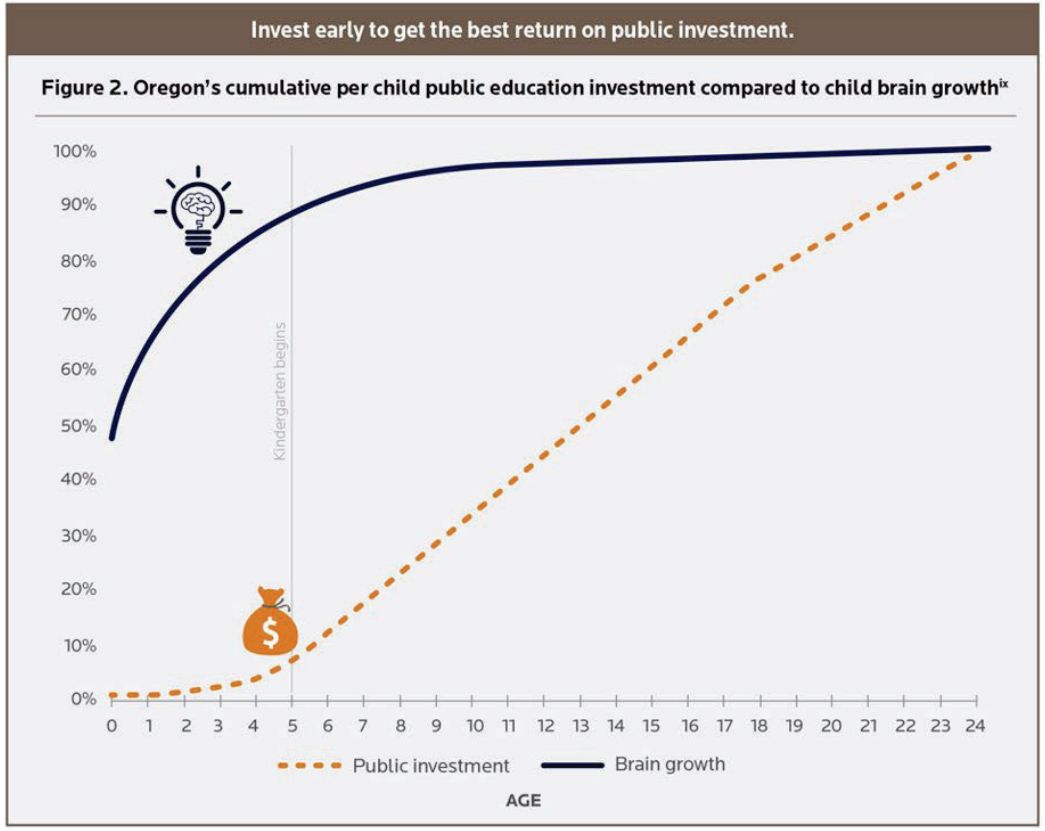
The science of child development underscores the importance of the first 2,000 days of childhood.

Figure 1. Synapse formation in the developing brain[vii]



Impact of Early Childhood Investments





https://heckmanequation.org/wp-content/uploads/2014/05/F_Heckman_Brochure_041515.pdf

Early Learning and Care by the Numbers

228,000 children in Oregon from birth to age 5

104,000 licensed child care capacity (6 weeks to 12 years)

Nearly **70,000** publicly-funded early learning program slots

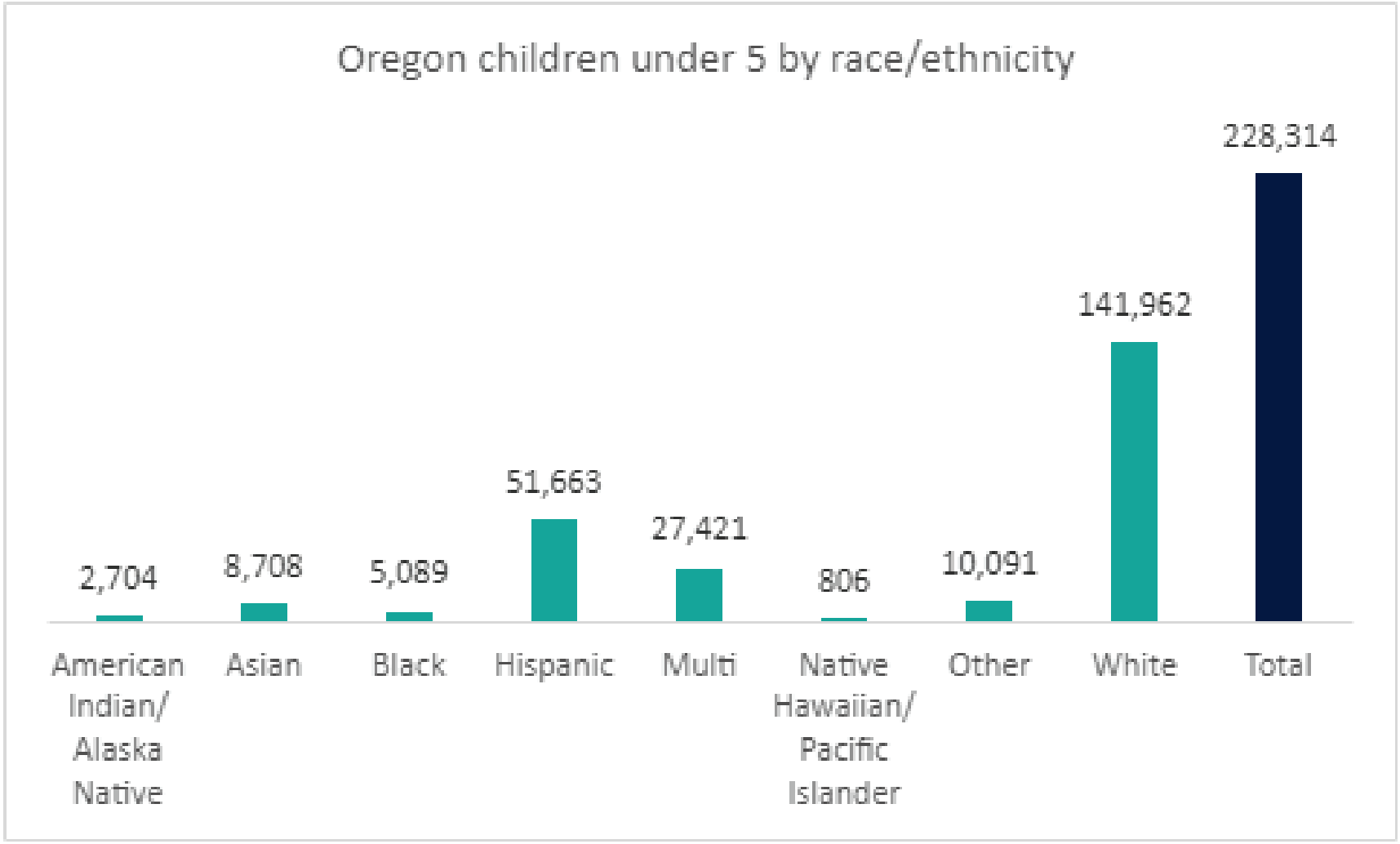
Requires a workforce of over **24,000**

Over **3,000** providers serving ERDC families

Over **320*** Grantees Providing Services to Children and Families

*Reflects the number of grants administered for PSP, HFO, OPK, BP, ECEF, RN. Some programs have multiple grants and some programs sub-contract.

Oregon's Under 5 Population



Supporting Oregon's Economy

60% of children under age 6 have both parents in the workforce[1]

33% Employee turnover costs of a worker's total compensation to replace them due to lack of child care[2]

Estimated annual impact of the infant-and-toddler child care crisis on Oregon's economy[3] **$1.4B**

[1] https://datacenter.kidscount.org/data/tables/5057-children-under-age-6-with-all-available-parents-in-the-labor-force#detailed/2/39/false/2048,1729,37,871,870,573,869,36,868,867/any/11472,11473

[2] https://www.uschamberfoundation.org/sites/default/files/ECE%20Employer%20Roadmap_March%202022.pdf

[3] https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis

Early Learning and Care is delivered across a variety of settings. This is why it is known as a "mixed-delivery" system.

Small and Large Family Child Care Homes

Family, Friend and Neighbor Care

Community Based Organizations, including Culturally Specific Organizations

Child Care Centers

Public Schools

Head Start Centers

Before/After School-Age Care

Early Care & Education Timeline

2011

Early Learning Council is established, staffed by the Governor's Office

2013

Early Learning Division is established in the Oregon Department of Education

- Child Care Division moves from the Employment Department
- Preschool and other early learning programs are moved to ELD

2014

All Early Learning Hubs are established

2016

Preschool Promise launches

2019

Raise Up Oregon is released by the Early Learning Council

The Early Learning Account is established as part of the Student Success Act

- The Early Childhood Equity Fund is established
- Parenting Education is funded
- Early learning programs are expanded

2021

House Bill 3073 passes

- Establishes the Department of Early Learning and Care (DELC)
- Moves the Employment Related Day Care (ERDC) program to DELC

July 1, 2023

The Department of Early Learning and Care launches

DELC Organizational Structure

Early Learning System Director

Chief of Staff

- DELC Agency Design
- Communications
- Data Analytics
- Quality Assurance
- Organizational Training & Engagement
- Project Management

Chief Operating Officer

- **Chief Information Officer**
- Information Systems
- Budget & Accounting
- Grants
- Procurement
- Provider Payments

Chief of Policy & Research

- Research & Evaluation
- CCDF Administration
- Government & Council Relations
- Subsidy Suspensions

Deputy Director & Chief of Programs

- Tribal Affairs
- Diversity, Equity & Inclusion
- Community Systems
- Programs
- Workforce & Professional Learning
- Child Care Assistance (ERDC)
- Human Resources

Office of Child Care Director

- Legal & Enforcement
- Field Operations
- Tualatin
- La Grande
- Salem
- Portland East & North
- Eugene
- Redmond
- Medford

New DELC functions | Migrating ODHS functions | Field Offices

Tribal Early Learning Hub: Oregon Tribal Early Learning Alliance

MISSION

The Oregon Tribal Early Learning Alliance is formed to honor the government-to-government relationship between Tribes and the State. Through the provision of resources that uphold tribal promising practices, early learning and care professionals are empowered provide tribal children with culturally responsive and language enriched educational experiences.

PURPOSE

Promote and maintain the government-to-government relationship between Tribes and the Department of Early Learning and Care through continued consultation to identify and eliminate barriers, increase funding priorities of tribes, and enhance state processes and quality of services reaching tribal communities

Number of Tribes engaged in developing OTELA:

9

Service Model:

Promotes a strong government-to-government consultative approach rooted in a deep understanding and respect for tribal sovereignty.

Key Activities:

OTELA Design

OTELA Implementation Plan

OTELA Website

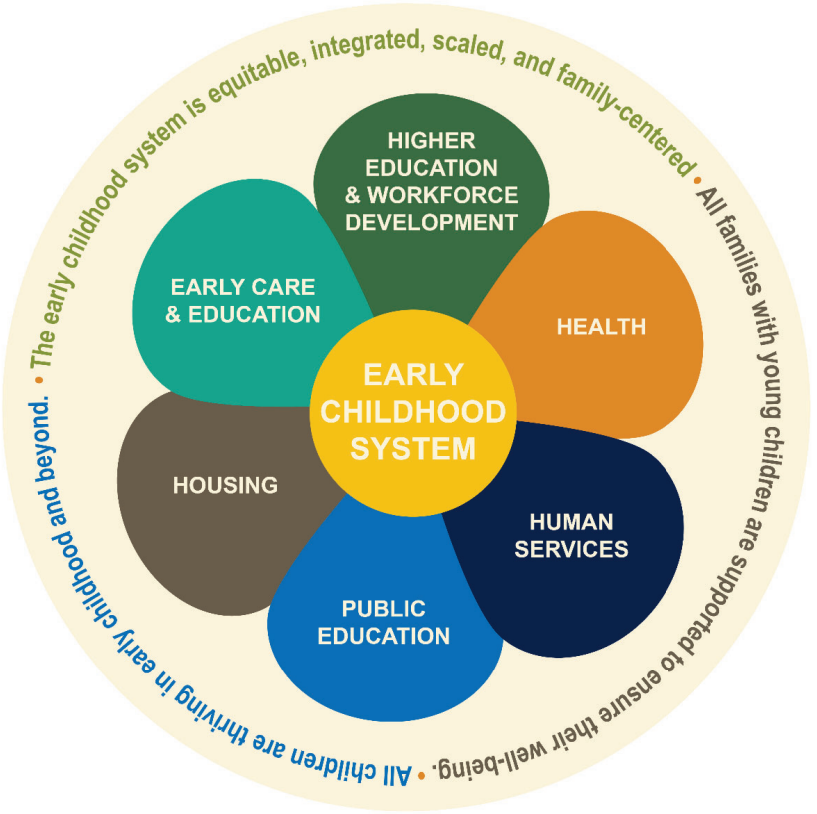
Biennium Total Funding 23-25:

$626,398 grant-in-aid

Early Learning Council

The Early Learning Council is charged with coordinating a unified and aligned system of early learning throughout Oregon to ensure that all children, no matter what their background or their community, enter school ready to learn and that all families are healthy, stable and attached.

- Cross-sector agency representation
- Public body responsible for administrative rulemaking for DELC
    - Including ERDC, child care licensing policies



Cross-Agency Coordination

Examples of Early Learning and Care's Role in the P-20 Education Continuum

- Oregon Department of Education
- EI/ECSE: B-5 Special Education Services and Supports in ECE
- District-Funded Preschool
- Preschool Promise in Schools
- Child Care for Teen parents
- ERDC for Full-time Students
- Jump Start
- Kindergarten Partnership & Innovation
- Before/After School Care
- Early Learning Hubs

- Higher Education Coordinating Commission
- Future Ready Oregon
- Pathways to Higher Ed
- OSAC Child Care Scholarships
- ERDC for Full-time Students
- Child Care Apprenticeship
- ECE Professionals Scholarship (GRB)
- Higher Ed Consortia Model

- Teacher Standards & Practices Commission/Educator Advancement Council
- Workforce Development
- Regional Educator Networks
- EI/ECSE Licensure

- Administered by DELC
- Administered by ODE
- Administered by HECC
- Administered by TSPC or EAC

Strategic Priorities

1. Families with young children have access to the services, supports and information they need to thrive;

2. The early childhood educator and child care workforce is supported to serve families and is recognized as a professional workforce;

3. Sustainable operations of the new Department of Early Learning and Care to provide necessary infrastructure for the early learning and child care system.

Budget Overview

Linnea Wittekind, budget services director

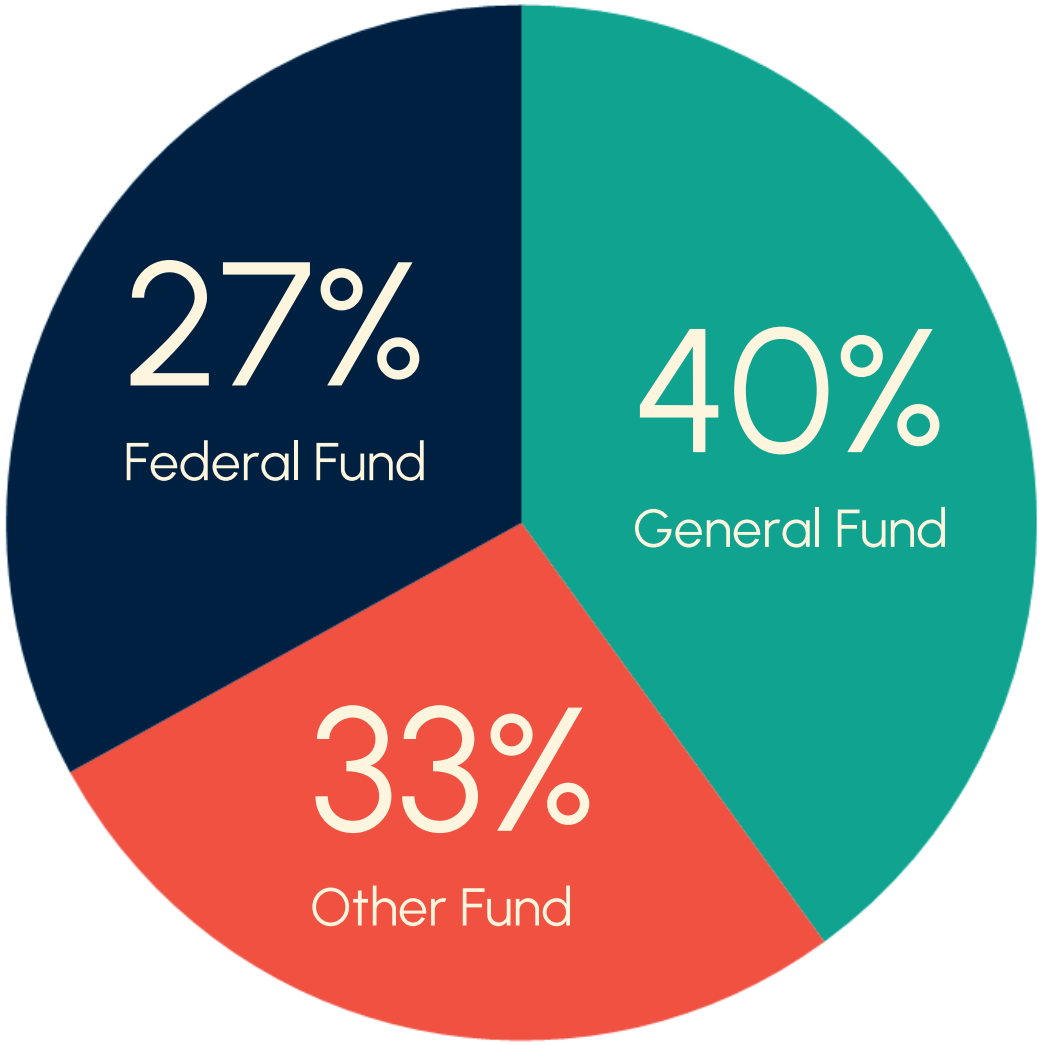
Community-Informed Budget Development

- While recent state investments have expanded access to publicly funded preschool programs, many eligible children and families still lack access.
- The current per child funding models for early learning programs is not sufficient to fully support quality and increased operating costs, particularly for the wages and benefits needed to attract and retain a qualified workforce.

Community and Provider Engagement Feedback:

- All programs need to see increased compensation to compete with K-12 and other non-education sectors as well as consistency between programs with similar requirements (wages, health, dental, retirement).
- Current funding allocations for transportation limits access for home-based child care and early learning providers to participate in publicly-funded programs.
- Additional resources are necessary to support children with special needs through low-ratio classroom settings.
- Preschool Promise needs to offer year-round or extended hours with increased resources to better meet needs of families.

2023 – 25 Budget by Fund Type



General Fund $560.2M / 40%

Federal Fund $378.4M / 27%

Other Fund $456.1M* / 33%

*437.4M is the Early Learning Account

Total Funds $1.4 Billion

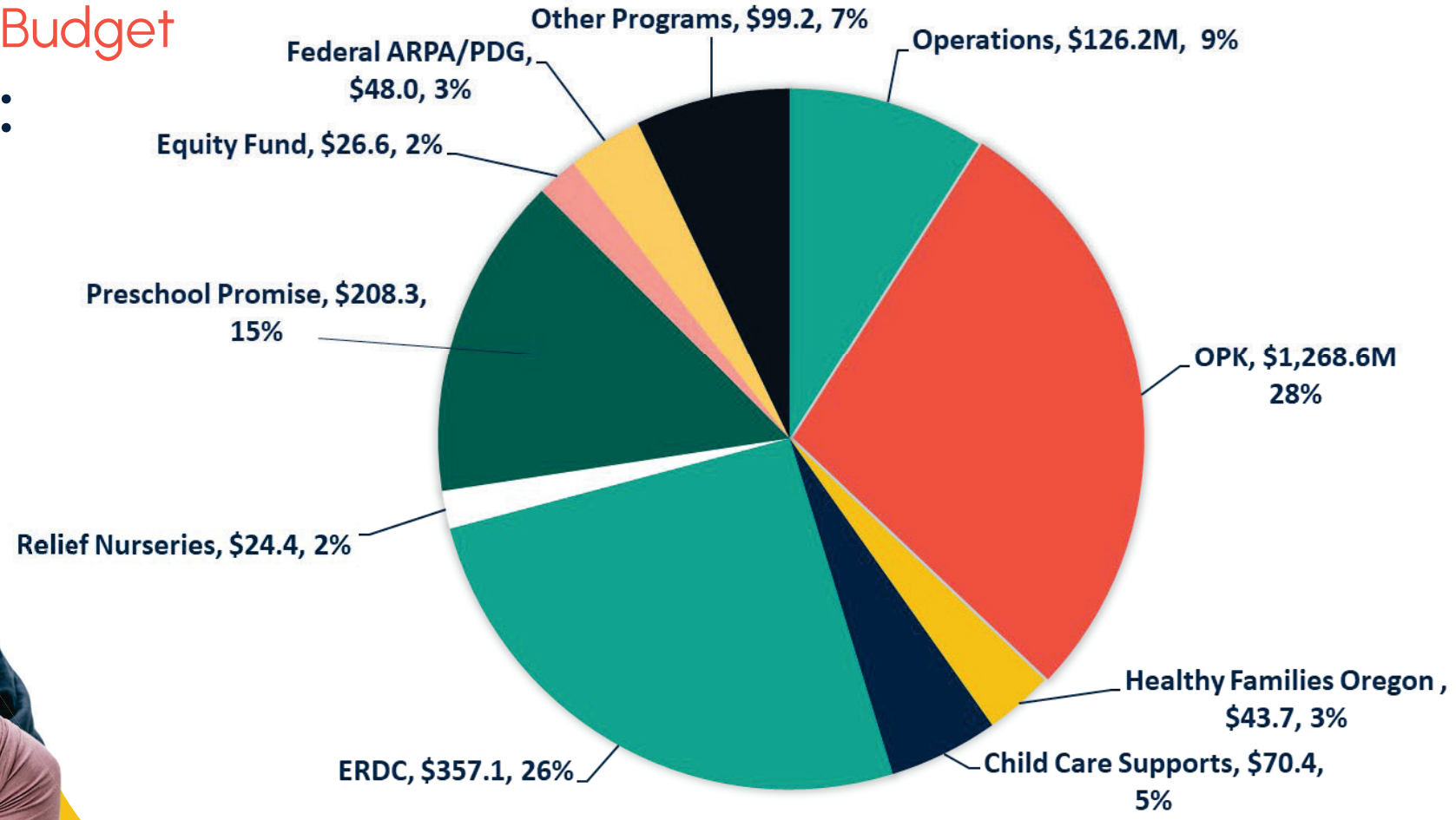
Programs & Operations

2023-25 Governor's Budget

Total All Funds:

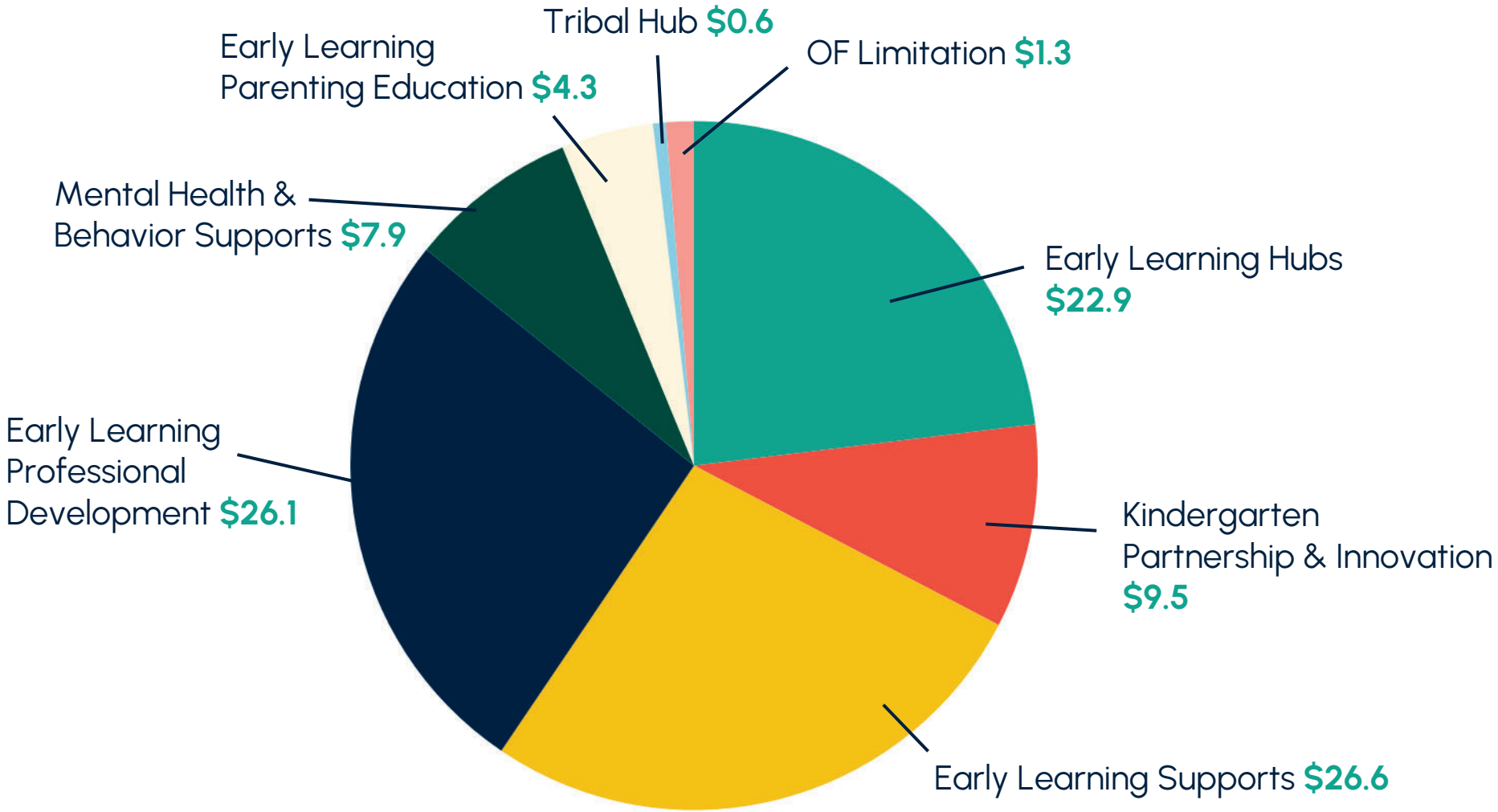
$1.4 billion

354 Positions (343.98 FTE)



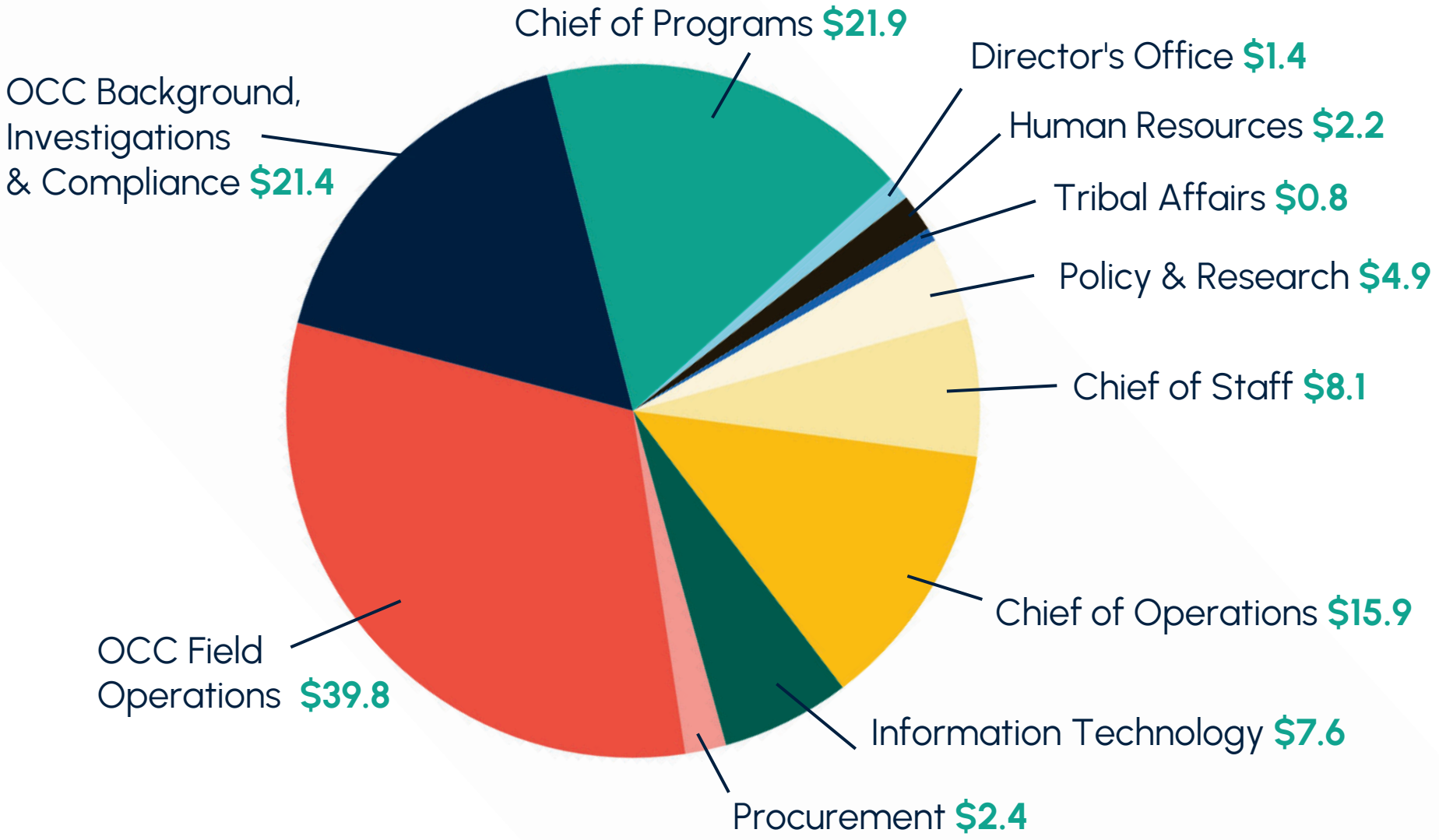
2023-25

Other Program Funding **$99.2M** ($ in Millions)



2023-25

DELC Operations ($ in Millions)



DELC Organization

354 Positions
(343.98 Total FTE)

POP 107
1.0 POS .92 FTE

Early Learning System Director

Executive Support
1.0 POS 1.00 FTE

Chief of Programs Division
50.0 POS 50.00 FTE

- **POP 101** *3.0 POS 2.76 FTE*
- **POP 102** *5.0 POS 4.60 FTE*
- **POP 105** *12.0 POS 11.20 FTE*
- **POP 107** *1.0 POS .92 FTE*

Chief of Policy & Research
13.0 POS 13.00 FTE

- **POP 107** *1.0 POS 1.00 FTE*

Chief Operations Division
78.0 POS 75.50 FTE

- **POP 107** *8.0 POS 7.36 FTE*

Chief of Staff
28.0 POS 28.00 FTE

- **POP 107** *6.0 POS 5.52 FTE*

Tribal Affairs
3.0 POS 3.00 FTE

Human Resources
7.0 POS 7.00 FTE

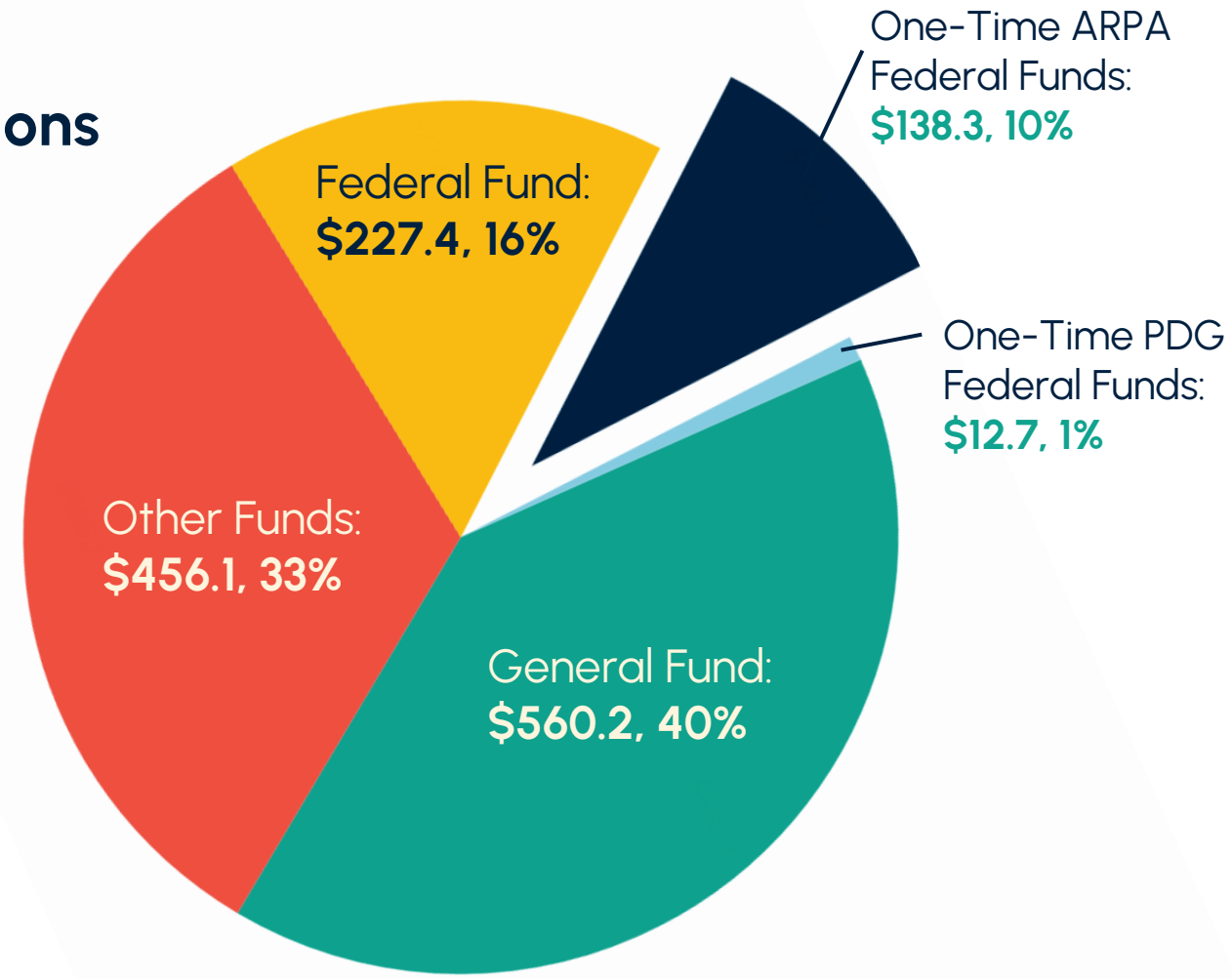
- **POP 107** *3.0 POS 2.76 FTE*

OCC Field Offices Legal & Enforcment
151.0 POS 143.25 FTE

- **POP 107** *8.0 POS 7.60 FTE*
- **POP 109** *0.0 POS .50 FTE*

One-Time Federal Funding

$ in Millions



DELC Programs & Services

Gwyn Bachtle, Early Learning Programs Director

Alyssa Chatterjee, Early Learning System Director

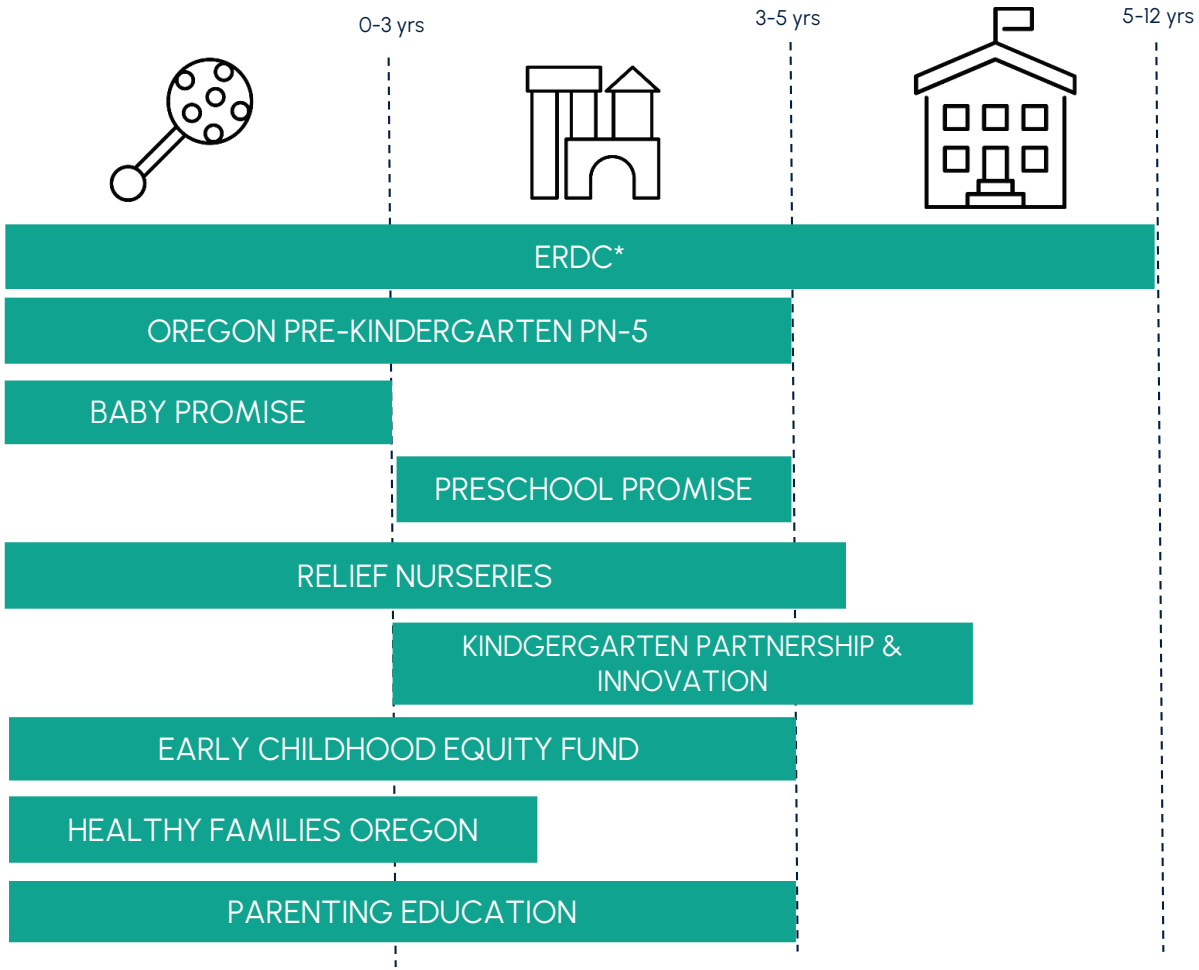
DELC Services to Families and Early Learning Workforce Development

- Baby Promise
- Child Care Licensing & Compliance
- Child Care Resource & Referral entities
- Early Childhood Equity Fund
- Early Learning Hubs
- Employment Related Day Care
  - Inclusive Partners
  - Teen Parent Program
- Healthy Families Oregon
- Kindergarten Partnership & Innovation Fund
- Oregon Prenatal to Kindergarten
- Parenting Education
- Preschool Promise
- Professional Learning for the ECE Workforce
- Relief Nurseries
- Suspension & Expulsion Prevention

Early Learning and Child Care Programs

Our programs promote:

- Affordability
- Learning and Development
- Family Support



*Program administered by DELC effective July 1, 2023

Oregon Prenatal to Kindergarten (OPK)

28% of GB

Program Overview	Oregon Prenatal to Kindergarten (OPK) is modeled after Head Start to support family success and healthy child development. OPK offers free, high-quality preschool, infant/toddler care and family support services.
Who is eligible?	A pregnant parent or a child up to kindergarten entry is eligible if the family's income is equal to or below 100% of the Federal Poverty Level (FPL) or is categorically eligible.
Service Model	Program services include: • Preschool education and early childhood development • Child health/mental health and nutrition • Parent education and family support OPK emphasizes the role of parents as their child's first and most important teacher and families as advocates and leaders.
Annual Service Level	All 36 counties have OPK and Head Start services, with most grantees blending state and federal resources. **OPK Total: 8,714** (Preschool: 7,330; Prenatal to Three: 1,384) **Federal Total: 5,867** (Head Start: 3,954; Early Head Start: 1,913) **Total OPK and Federal Head Start: 14,581 children and their families**
2023-25 Governor's Budget	$390.9M total funds
Funding Sources	General Fund, Early Learning Account *(Federal funds go directly to Head Start grantees)*
Number of Grantees Providing Services	30 OPK grantees 25 are dually funded OPK and federal Head Start grantees (one Tribal Head Start, one Migrant Seasonal HS/EHS) 5 are state funded only

Preschool Promise

15% of GB

Program Overview	Preschool Promise provides families with free, high-quality preschool that uses a mixed delivery approach, giving families the ability to choose the setting that works best for them and their child.
Who is eligible?	Three- and four-year old children in families whose income is at or below 200% of the Federal Poverty Level or in foster care programs.
Service Model	• Children receive preschool services equivalent to a kindergarten school year. • Preschool is offered in various settings, including child care centers, home-based child care, and public schools.
Annual Service Level	5,344 children
Access	Statewide across all 36 counties
Number of Grantees Providing Services	234 Grantees in various settings
2023-25 Governor's Budget	$208.3M total funds
Funding Sources	General Fund, Early Learning Account

Healthy Families Oregon (HFO)

3% of GB

Program Overview	A free, voluntary home visiting program offering support and education to families that are expecting or parenting newborns. The home visiting services are offered for a minimum of 3 years.
Who is eligible?	Families who are expecting or parenting newborns and are determined to be at higher risk for adverse childhood outcomes.
Service Model	• Eligibility screening and referral services • An intensive, evidence-based home vising model accredited through Healthy Families America • Visits assist families to cultivate and strengthen nurturing parent-child relationships, promote healthy childhood growth and development, enhance family well-being by reducing risk and building protective factors.
Annual Service Level	1,800 families that received at least 1 home visit in 2021 according to the 2022 Healthy Families America Site Tracker (HFAST) report (14 out of 15 grantees reporting).
Access	33 of 36 counties
2023-25 Govenor's Budget	$43.7M total funds
Funding Sources	General Fund, Title XIX Medicaid, Title IV-B2, and Early Learning Account
Number of Grantees	15 Grantees

Early Childhood Equity Fund

2% of GB

Program Overview	The Early Childhood Equity Fund supports culturally specific, kindergarten readiness, and family support programming,
Organizations eligible for funding?	Organizations that focus on closing opportunity gaps for children and families who have been historically underserved due to factors such as race, income, zip code, or language. Equity Fund grantees are committed to providing early learning services rooted in culture, home language, and lived experience.
Service Model	Parenting Education, Parent-Child Interaction, Kindergarten Transition, Tribal Language Preservation & Revitalization
Annual Service Level	7, 018 children and their families
Access	Currently funding programs across 17 counties
2023-25 Governor's Budget	$26.6M total funds
Funding Sources	Transfer to the Early Childhood Equity Fund from Early Learning Account, General Fund
Number of Grantees	26 grantees

Relief Nurseries

2% of GB

Program Overview	Relief Nurseries provide early intervention services by offering comprehensive and integrated early childhood therapeutic and family supports to prevent the cycle of child abuse and neglect.
Who is eligible?	Children ages 0-6 with at least 5 Family Stressors (from The Family Stressors Checklist)
Service Model	Outreach (Home Visiting, Respite, Parent Support, Tangible Supports, Screening and Referral) and Therapeutic Early Childhood Program (Outreach plus a 3 -6 hour weekly Therapeutic Classroom)
Annual Service Level	2,257 Children
Access	20 counties
2023-25 Govenor's Budget	$24.4M total funds
Funding Sources	General Fund, Early Learning Account, Title XX, and Asset Forfeiture
Number of Grantees	16 grantees
Other	Required to match state grant funds with 25% community funding match.

Kindergarten Partnership and Innovation (KPI)

0.7% of GB

Program Overview	Kindergarten Readiness Partnership and Innovation grants fund a diverse range of programming and cross-sector alignment that supports early school readiness and family engagement, as well as professional development for early childhood and early grades educators.
Who is eligible?	All 16 Early Learning Hubs receive grant funds to use for staffing KPI work and to subcontract services. KPI funds are prioritized for programs serving historically underserved and under-resourced families.
Service Model/Key activities	• Early Kindergarten Transition Programs connected to K-12; • Joint training on early learning standards and practices for preschool and K-3rd staff
Annual Service Level	8,836 children and parents/caregivers in 2021-2022; 2563 educators participated in professional development activities
Access	All 36 counties in Oregon
2023-25 Governor's Budget	$9.5M total funds
Funding Sources	General Fund

Baby Promise

0.7% of GB

Program Overview	Baby Promise provides families with free, high-quality infants and toddler child care while increasing access to infant and toddler child care.
Who is eligible?	Children 6 weeks to 3 years of age from families receiving Employment Related Day Care (ERDC) in three regions of the state
Service Model	• Stabilizing and expanding access to infant and toddler care, where Oregon is considered a severe child care desert. • Full work-day, full-year high quality infant and toddler care • Offered in various settings, including child care centers, home-based child care.
Annual Service Level	241 children across three regions
Access	Central Oregon (Crook, Jefferson, Deschutes), Multnomah, and South Coast (Coos, Curry, and Coastal Douglas county)
2023-25 Governor's Budget	$9.1M total funds
Funding Sources	Federal Child Care Development Funds (CCDF)
Number of Grantees	3 Child Care Resource & Referral regions

Parenting Education

0.3% GB

Program Overview	Free parenting classes, resources, and events available to families through a network of parenting hubs and partner organizations.
Who is eligible?	Parents and families that have been identified through Early Learning Hub Community Planning, including families with children 0-3; families in poverty; families with children who have experienced disability; immigrant and refugee families; foster families
Service Model/Key activities	Home visiting, Parent Education Series and workshops delivered through Oregon Parenting Education Collaborative Hubs (16)
Annual Service Level	Over 2,000 families
Access	All 36 counties in Oregon
2023-25 Governor's Budget	$4.3M total funds
Funding Sources	Early Learning Account

Tribal Access to Funds

	Baby Promise	Early Childhood Equity Fund	Healthy Families Oregon	Preschool Promise	Oregon Prenatal to Kindergarten	Relief Nurseries
Current Participation	0	3	0	3	1	0*

In addition to state-funded programs, the nine federally recognizes tribes within Oregon's borders have access to federal funds, which are distributed directly to the Tribes.

Federally Funded Programs

- Four participate in Head Start and two of those offer Early Head Start
- All receive CCDF, separate from DELC CCDF

*Requires nonprofit status

Opportunities and Challenges

WORKFORCE SHORTAGE

FACILITIES

DISTRIBUTING FUNDS

Early Learning Program Supports

- Coordinated Enrollment
- Preschool Promise Eligibility Determination
- Coaching, Mentor Coaching and Technical Assistance
- Assessments of Quality of Classroom Instruction
- Environmental Rating Assessments
- Inclusionary Supports
- Community Transportation

Early Learning Hubs

Program Overview	Regional Early Learning Hubs align and coordinate early learning and care services to produce better outcomes for children and families.
Governance	Hub Governance Boards include: • Families from Hub-identified priority populations, Oregon Department of Human Services, Child Care Resource and Referral agency, K-12 partners, Early Learning Programs, Business, Health care, Human services, and Tribe(s)
Service Model/Key activities	• Convene community partners to assess and strategize solutions to emerging and persistent issues • Create early care and education sector plans that guide state investments to communities that have been historically under-resourced and underserved • Strategically investment in programs in their communities to increase access to early learning • Support coordinated enrollment for publicly-funded preschool so families can access the programs that best meet their needs
Access	16 regions across the state of Oregon
2023-25 Governor's Budget	$22.9 million; Final ELA - TBD
Funding Sources	General Fund; Title IV-B2; Early Learning Account

Child Care Resource & Referral

Program Overview	Regional organizations that recruit, train and promote retention of a high quality, diverse Early Care and Education Workforce.
Who is supported?	• Prospective child care providers • Licensed and license-exempt child care providers
Service Model/Key activities	Create and expand professional learning systems accessible to all Early Care and Education Providers. • Recruitment & Retention • Professional learning and quality improvement • Business Support • Collect available data on regional child care supply
Annual Reach	Training Events offered: 2,000 Participants attending: 23,686
Access	15 regional CCR&Rs statewide
2023-25 Governor's Budget	$24.0M; ELA - TBD
Funding Sources	Federal Fund; General Fund; Early Learning Account

Strategic Priorities

1. Families with young children have access to the services, supports and information they need to thrive;

2. The early childhood educator and child care workforce is supported to serve families and is recognized as a professional workforce;

3. Sustainable operations of the new Department of Early Learning and Care to provide necessary infrastructure for the early learning and child care system.

Office of Child Care

Alicia Gardiner, Office of Child Care Director

Office of Child Care

The **Office of Child Care's (OCC)** primary function is to inspect and license child care programs. OCC ensures health and safety of children in child care by:

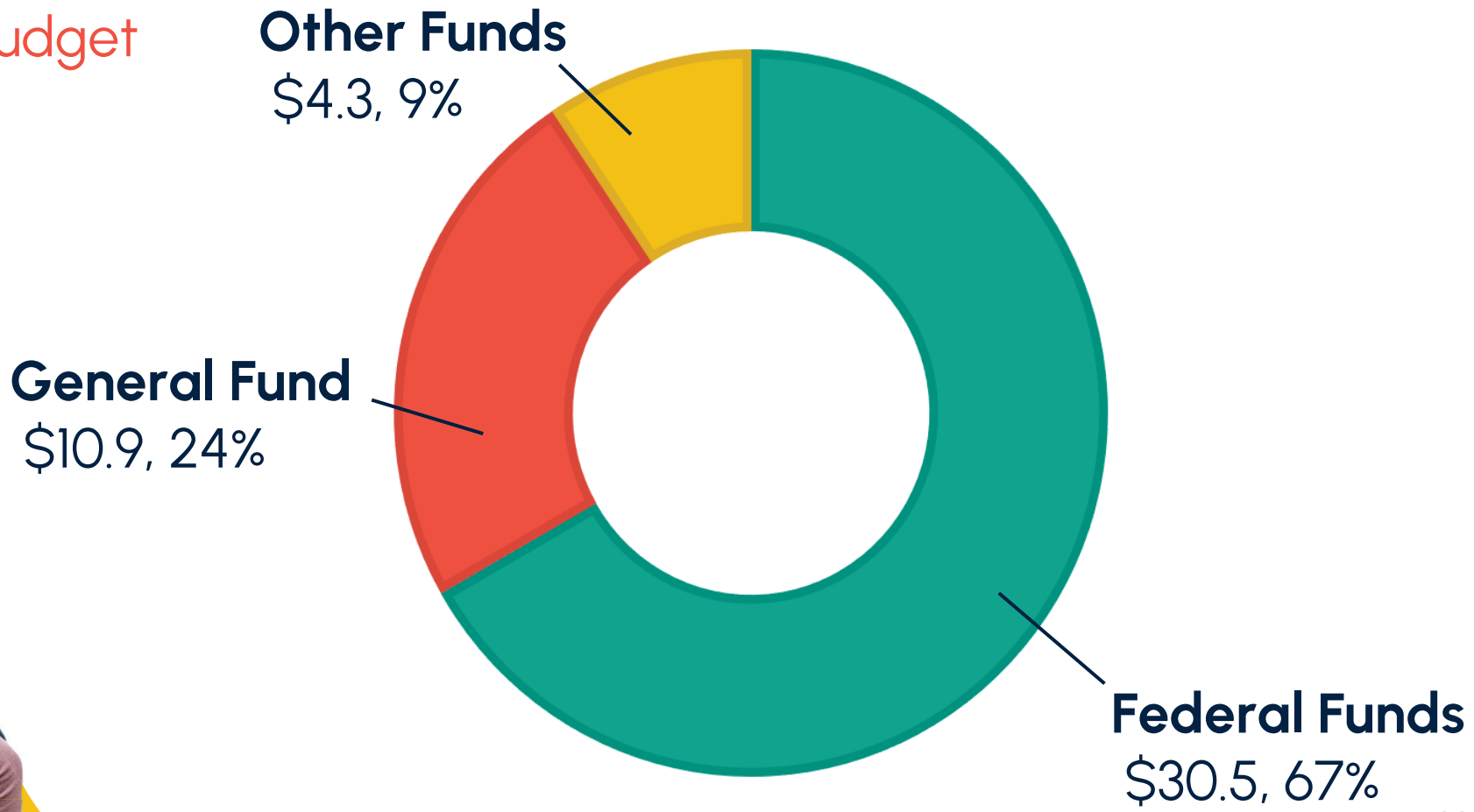
- Rulemaking, technical assistance, and compliance assessments.
- Approaching compliance with health and safety standards through education and providing resources, while maintaining a strong customer service lens to ensure license holders have all the information they need to be successful.
- Conducting comprehensive background checks.

Child Care Licensing & Compliance
(Operations)

2023-25 Governor's Budget

Total All Funds:

$45.7 million



Licensing and Compliance

Licensing - conducts inspections of child care facilities to assess compliance with child care rules, and to provide technical assistance and resources to child care providers to maintain compliance.

Investigations - Conducts complaint visits, unlawful care and tandem visits with OTIS on abuse and neglect allegations in child care.

Compliance, Legal and Enforcement - Oversees legal actions and hearings with progressive sanctioning starting at the lowest level before taking stronger legal actions when noncompliance is observed, while prioritizing child health and safety when deciding the course of action.

Central Background Registry (CBR) and Customer Service

Customer Service - supports OCC by responding to inquiries from the public, providers, and other interested parties.

Intake - verifies accuracy on all incoming applications (CBR/Facility) in multiple state data systems.

Background - conducts background checks for licensed, recorded programs and license-exempt child care providers in the state to determine the eligibility of individuals to be enrolled in OCC's Central Background.

OCC Organization

154 Positions
(148.09 Total FTE)

Early Learning System Director

Office of Child Care Director
1.0 POS / 1.00 FTE

Executive Support
1.0 POS / 1.00 FTE

CC Quality Specialist
1.0 POS / 1.00 FTE

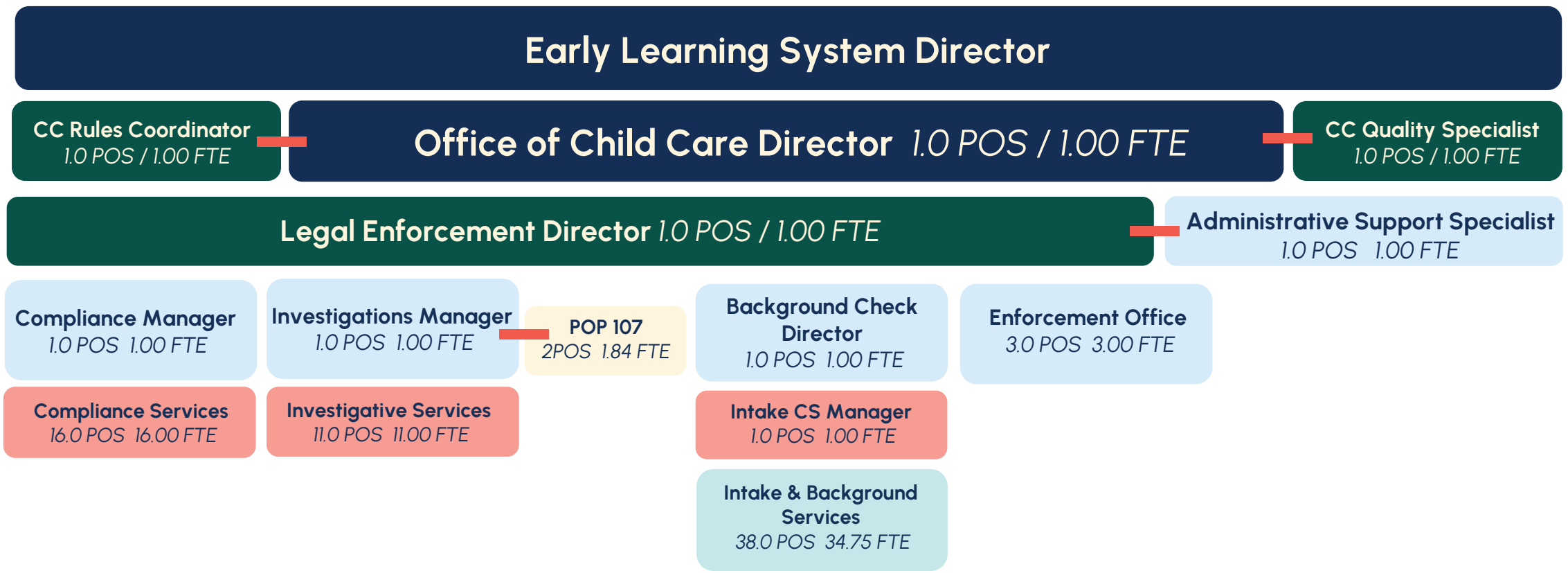
CC Rules Coordinator
1.0 POS / 1.00 FTE

Field Operations *75.0 POS / 71.50 FTE*

Legal & Enforcement *79.0 POS / 72.59 FTE*

OCC Organization

OCC Organization



Licensing

Licensed Visits in 2022

Routine Inspections (Licensure and Monitoring): 6,323

Regulated Subsidy visits: 612 visits

Compliance Verification: 1341 visits

- Injury Reports
- Corrective Action
- Increased Monitoring

Average total time per visit: 4-8 hours

Includes

- Visit preparation
- Documentation
- Travel

Average Caseloads per Licensing Specialist	Field Office
55	Eugene Field Office
43	La Grande Field Office
60	Redmond Field Office
65	Salem Office
62	Medford Field Office
64	North/East Portland Field Office
65	Tualatin Office

Investigations

- Average complaints per month statewide: 89 complaints
- How long does a complaint take on average: 4-6 weeks
- How many visits per complaint on average: 2 visits
- Compliance Verification: 77 visits

Average Complaints per Month (2022)	Field Office (number of investigators)	Average complaints per month per investigator
7	Eugene Field Office (1)	7
5	La Grande Field Office (.5 FTE)	5
6	Redmond Field Office (1)	6
16	Salem Field Office (2)	8
12	Medford Field Office (1)	12
22	North/East Portland Field Office (2.5)	9
22	Tualatin Field Office (2.5)	9

Central Background Registry (CBR)

SB1545 and HB4005 requires personnel from unlicensed facilities to enroll in the CBR, adding thousands of new individuals in the CBR.

Feb 2022

Aug 2022

5 year renewals for CBR started fall 2022, doubling workloads from prior months in 2022.

The background check unit was significantly short staffed, with 4 out of 11 positions vacant.

Fall 2022

Jan 2023

37 positions hired and trained

Tracking data on approvals

65,229 individuals currently enrolled in Central Background Registry

19,867 Applications processed in 2022, includes applications approved, not approved, removed, and returned

CBR Trends:

January 2022 Applications Received	January 2023 Applications Received
1716	2721

Data as of Feb. 2023	Jan-Mar 2022	Apr-June 2022	Jul-Sep 2022	Oct-Dec 2022	Jan-Mar 2023
Approved	3559	3716	3736	4058	4012

Central Background Registry (CBR)

Staffing Levels and CBR Numbers

22 positions in Background

2 unbudgeted Positions

22 positions Customer Service and Intake

4 unbudgeted positions

Backlog Update

Backlog removed for customer service inbox and intake team as of Feb. 2023

Approval times	**Jan 2023** *Completed Hiring*	**February 2023** *Staff Onboarded*
Approved w/in 4 Weeks (0-28 days)	26.92%	**49.27%**
Approved w/in 4-6 Weeks (29-42 days)	21.64%	16.53%
Approved w/in 6-8 Weeks (43-56 days)	10.88%	10.85%
Approved in more than 8 Weeks (57 or more days)	40.56%	23.35%

Equity Considerations Licensing and Reasonable Enforcement

Future Strategies:

The Office of Child Care supports Oregon's child care community by ensuring a healthy and safe environment for all children in care through consistent and equitable regulation by:

- Strengthening Trust and Relationships
- Building Supportive Regulatory Tools and Technical Assistance
- Enhancing Operational Excellence
- Collecting Data and Developing Meaningful KPMs

Employment Related Day Care (ERDC)

David Mandell, Chief of Policy & Research

ERDC Program Overview

ERDC provides financial assistance to low-income families so children
have access to stable child care and families
can work or attend school.

ERDC will move from the Oregon Department of Human Services (ODHS) on July 1, 2023.

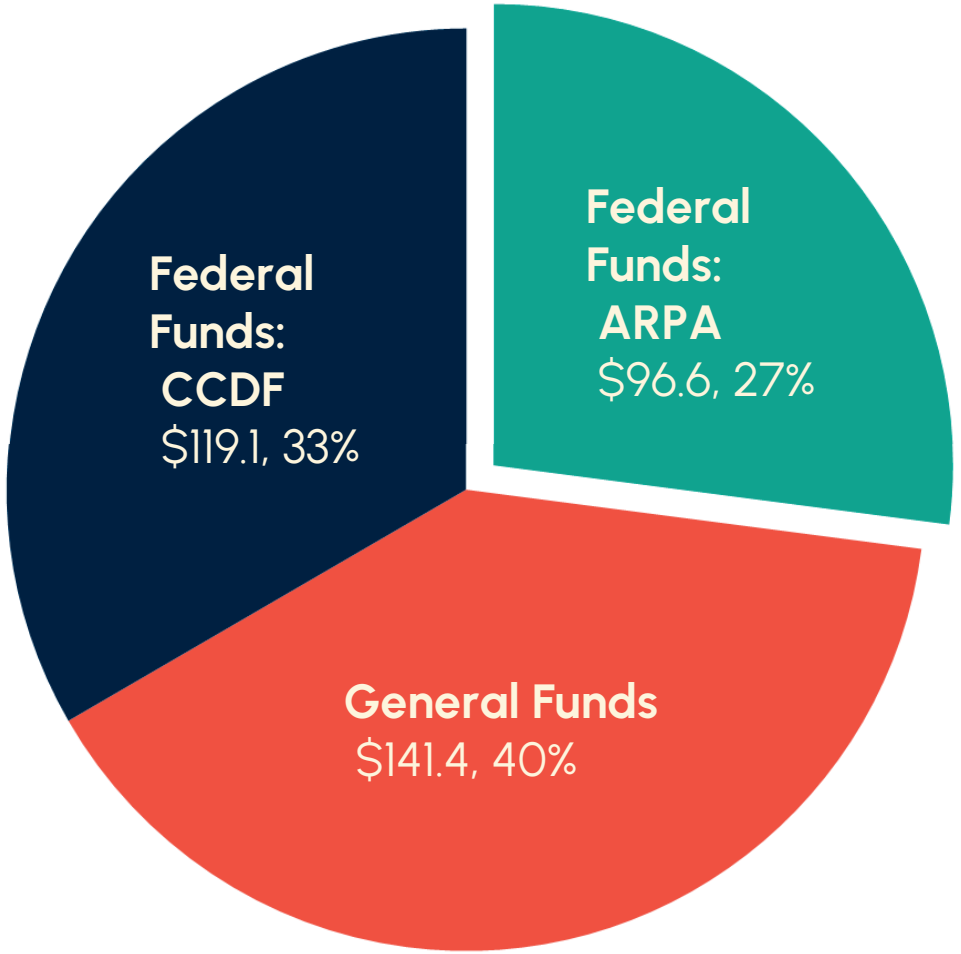
Employment Related Day Care
(Grant in Aid)

25.6% GB

2023-25 Governor's Budget

Total All Funds:

$357.1 million



Who is eligible for ERDC?

To be eligible, families must:

- Have income beneath 200% of the Federal Poverty Level at application; and
- Be working or in school.
- Families can choose a licensed or a license-exempt provider that is an approved ERDC provider.

ERDC by the Numbers

Over 17,000 children

Over 9,000 families

Over 3,000 providers

Avg. cost per case: $1,538

Avg. copay per family: $14.51/month

December 2022 Case Data *– Deloitte ERDC Master Report*
December 2022 Provider and Payment Data *– Active Providers Monthly Report, November Budget Actuals*

How does ERDC work?

ERDC helps families with the cost of child care by making payments on their behalf to their chosen child care provider.

Family applies for subsidy via the ONE system and is determined eligible

Family reports their chosen child care provider to the Direct Pay Unit or their eligibility worker

Billing forms are sent at the beginning of each month to the family's chosen child care provider

Provider submits billing form to Direct Pay Unit for payment on family's behalf

Payments are made up to state maximum child care rates based on child age, family's eligible hours/provider's billed hours, region of the state, and child care provider type

ERDC Administration: Who will do what?

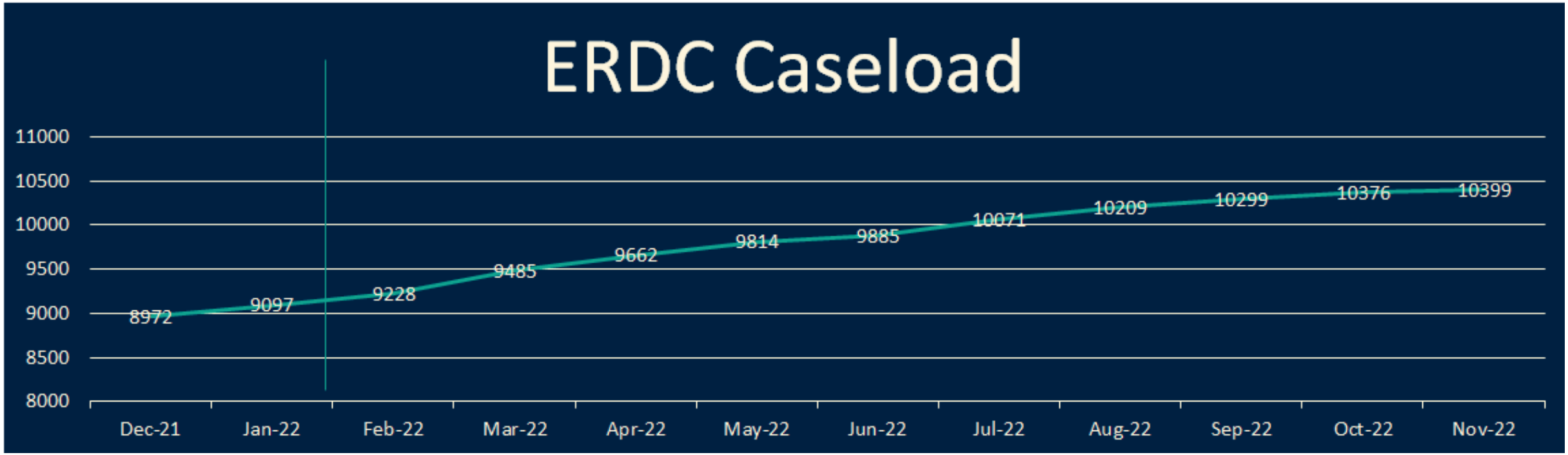
DELC

- Set policy parameters for ERDC, monitor program performance
- Ensure CCDF compliance, receive CCDF funds
- Staff supporting ERDC at DELC
  - **Child Care Policy Team** helps develop and administer child care programs and coordinates with other state staff to make sure families can access care
  - **Direct Pay Unit** helps ensure providers get listed – meaning able to receive child care subsidies – and paid, as well as delivers customer service to providers
- The **Subsidy Suspensions** team handles complaints and compliance matters related to listed providers

ODHS

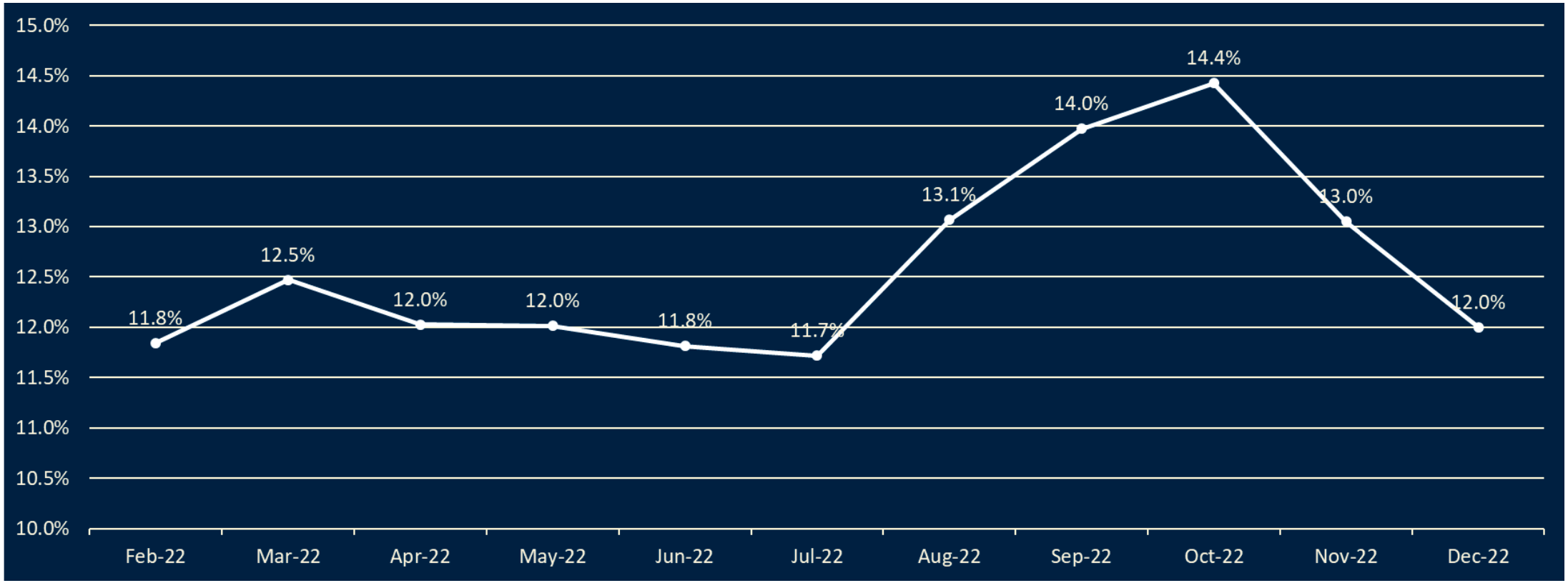
- Continue to make eligibility determinations as part of ONE
- Until Provider Management Platform LIVE, make provider payments
- Shared Services
  - One Eligibility Partnership
  - Quality Assurance (QA)
  - Quality Control (QC)
  - Hearings
  - Office of Research , Reporting, Analytics and Implementation (ORRAI)
  - Office of Payment, Accuracy and Recovery (OPAR)
  - Information and Records Management (IRMS)
  - Training
- Systems Management (Office of Information Services (OIS), Main Frame (MF))

Families Enrolled in ERDC*

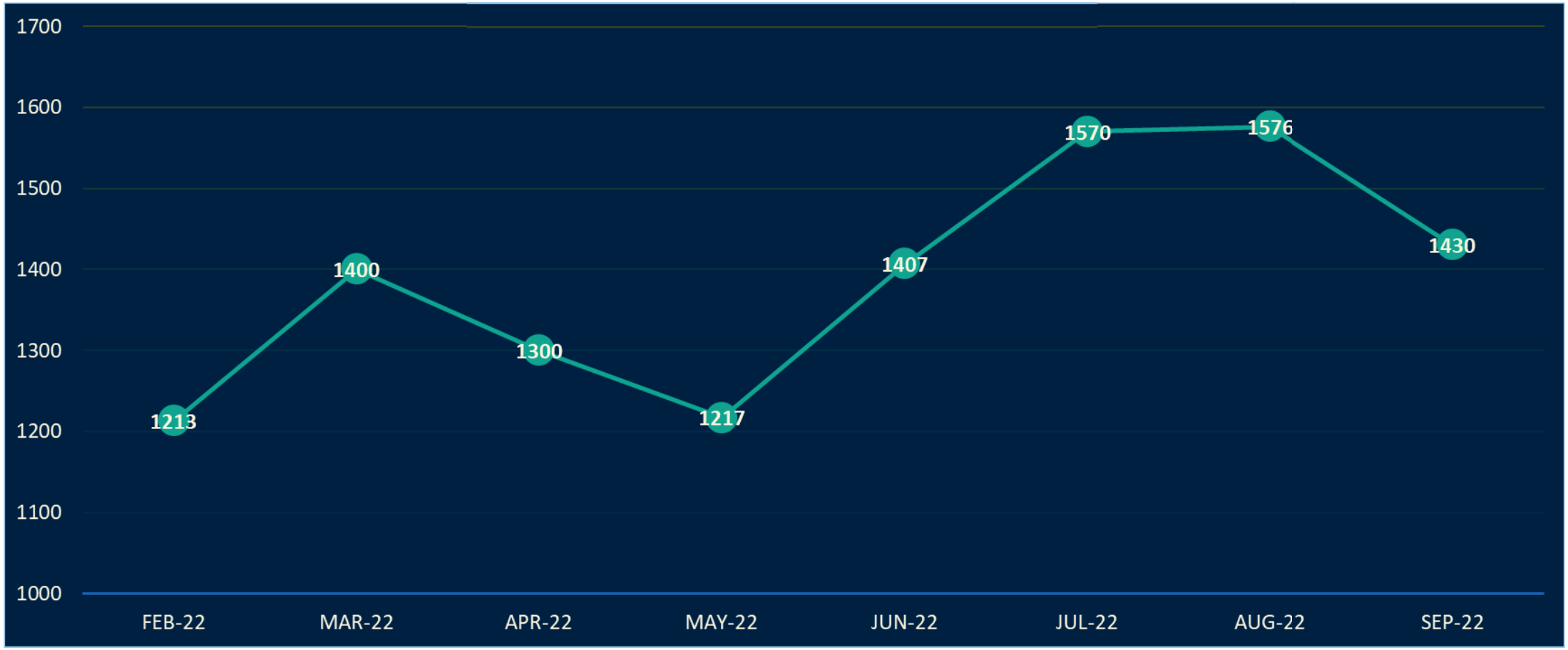


Not all families are attached to a provider, which means they are not currently receiving services.

Percent of cases not connected to provider



Monthly active cost per case

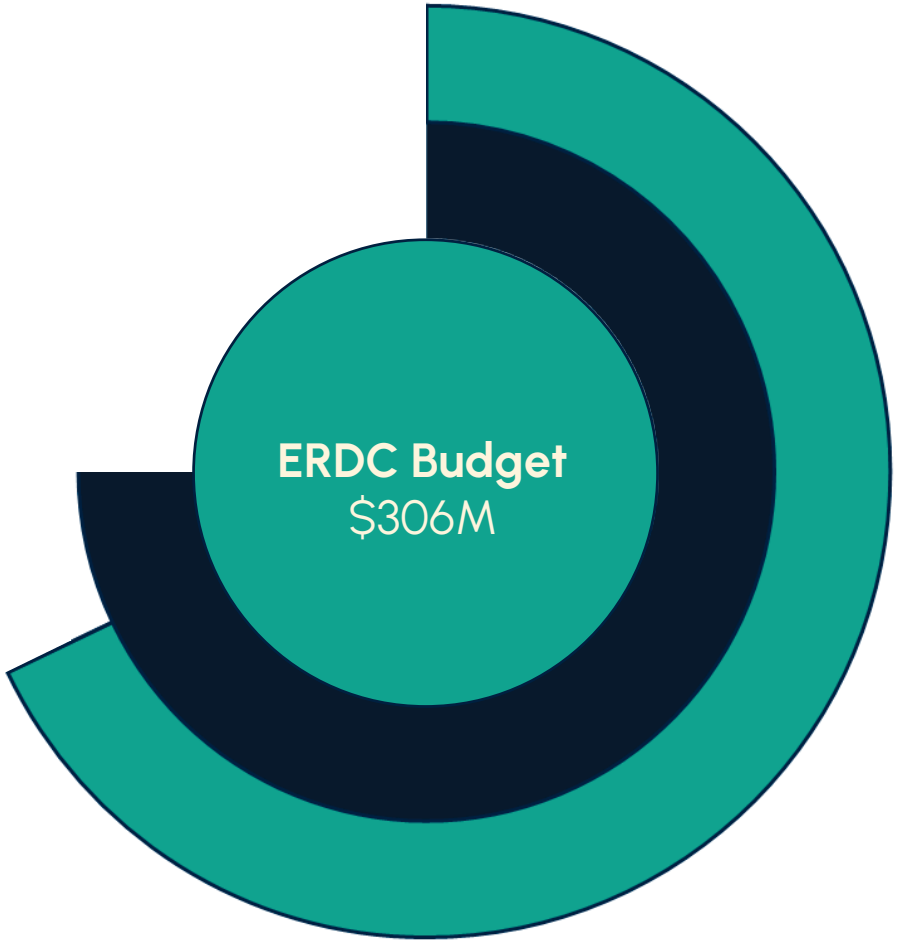


Monitoring the ERDC "budget box"

Total ERDC Spending vs. 21-23 Biennium Budget

Biennium Completed: 75%

ERDC Spend: 68%



HB 3073 ERDC Policy Changes

January 2023:

- ✓ Expanded student eligibility
- ✓ Part time/Full time Child care hours Authorizations
- ✓ Authorized medical leave
- ✓ Sleep hours for two-caretaker households

July 2023

- Protected 12-month eligibility
- Categorical eligibility for TANF families

Spring 2024 (tentative):

- Eligibility for children regardless of legal/citizenship status

Opportunities and Challenges

1. Impact of ERDC policy changes on caseload and cost per case
2. Ability of ERDC families to find child care providers willing to participate in ERDC
3. Future federal appropriations for CCDF
4. 2025-27 biennium fiscal cliff from end of one-time ARPA federal funds
5. Implementation of new methodology based on cost of quality care for setting ERDC reimbursement rates

Strategic Priorities

1. Families with young children have **access to the services**, supports and information they need to thrive;

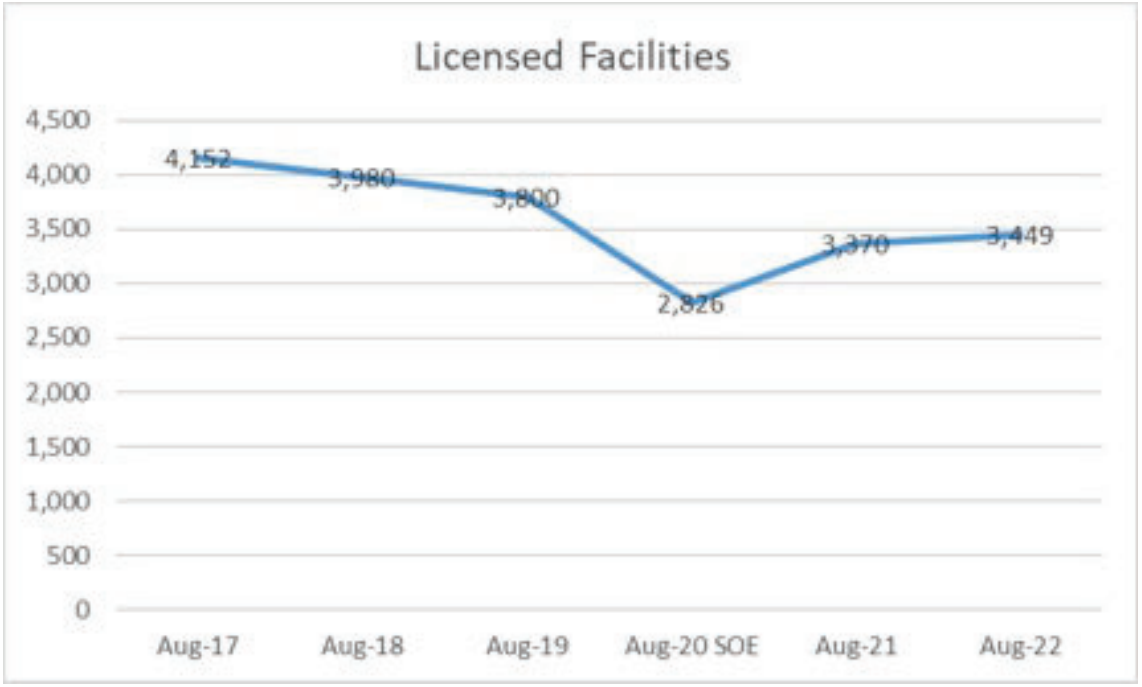
2. The early childhood educator and child care **workforce is supported** to serve families and is recognized as a professional workforce;

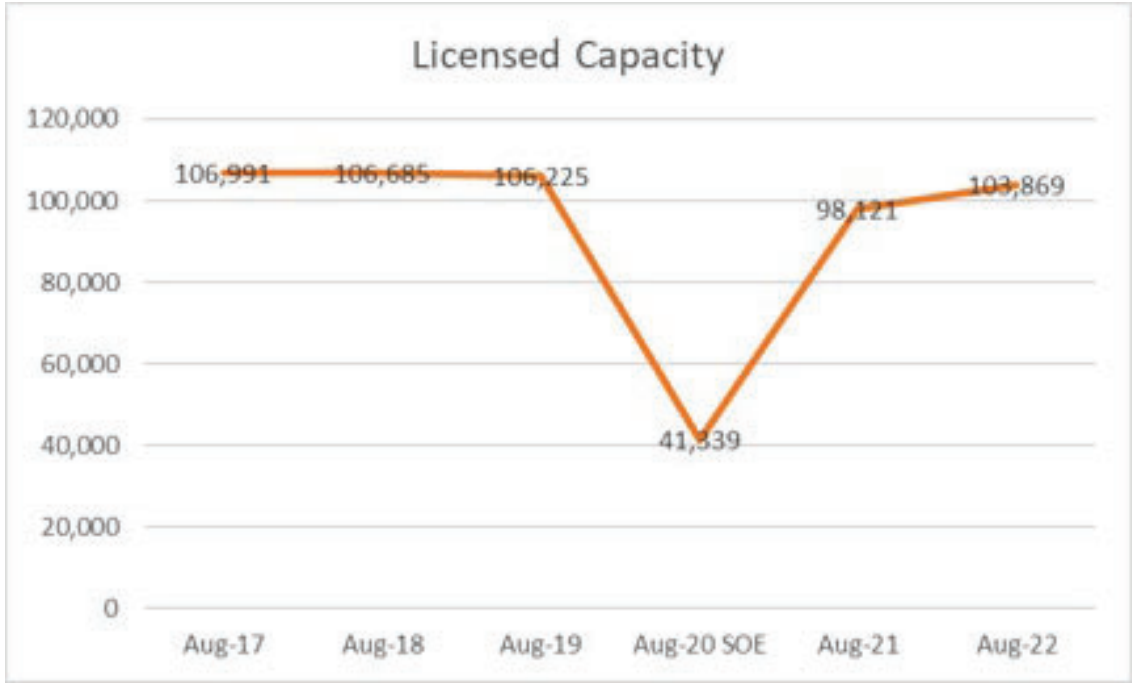
3. **Sustainable operations** of the new Department of Early Learning and Care to provide necessary infrastructure for the early learning and child care system.

1 Access to Services

Alyssa Chatterjee, Early Learning System director

Child Care Availability: Six Year Trends





Data Source: OCC's Child Care Regulatory Information System (CCRIS)

Licensed Capacity by Type: Pre-COVID to Current

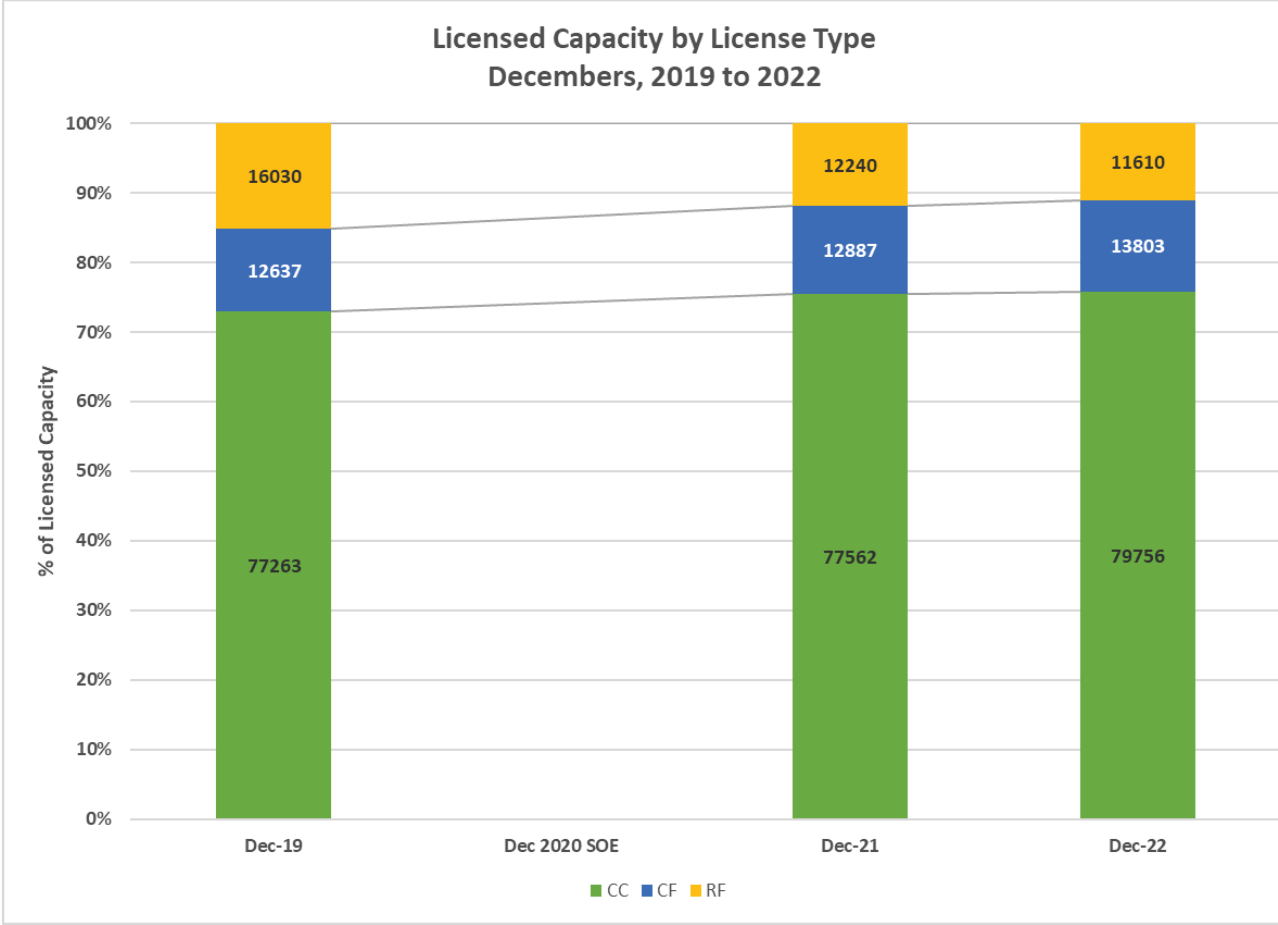
76% of Licensed Capacity exists in Center-Based Programs (CC)

Compared to December 2019, we see:

28% decrease in small family home licensed capacity (RF)

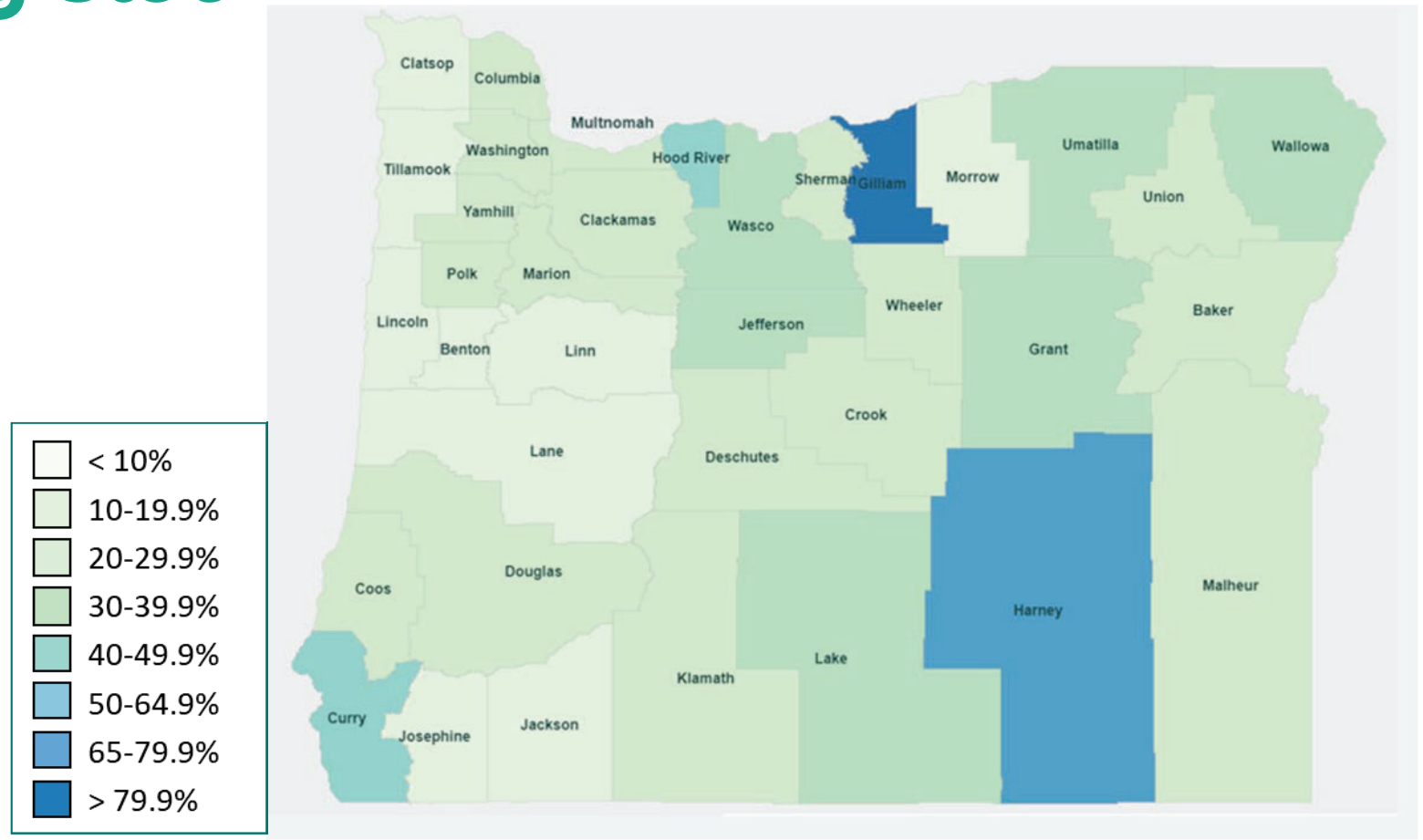
9% increase in large family home capacity (CF)

3% increase in center-based capacity (CC)



Percentage of Children Under 5 with Access to a Publicly Funded Early Learning Slot

In the majority of Oregon's counties, less than 40% of eligible children under 5 years have access to a publicly funded slot.

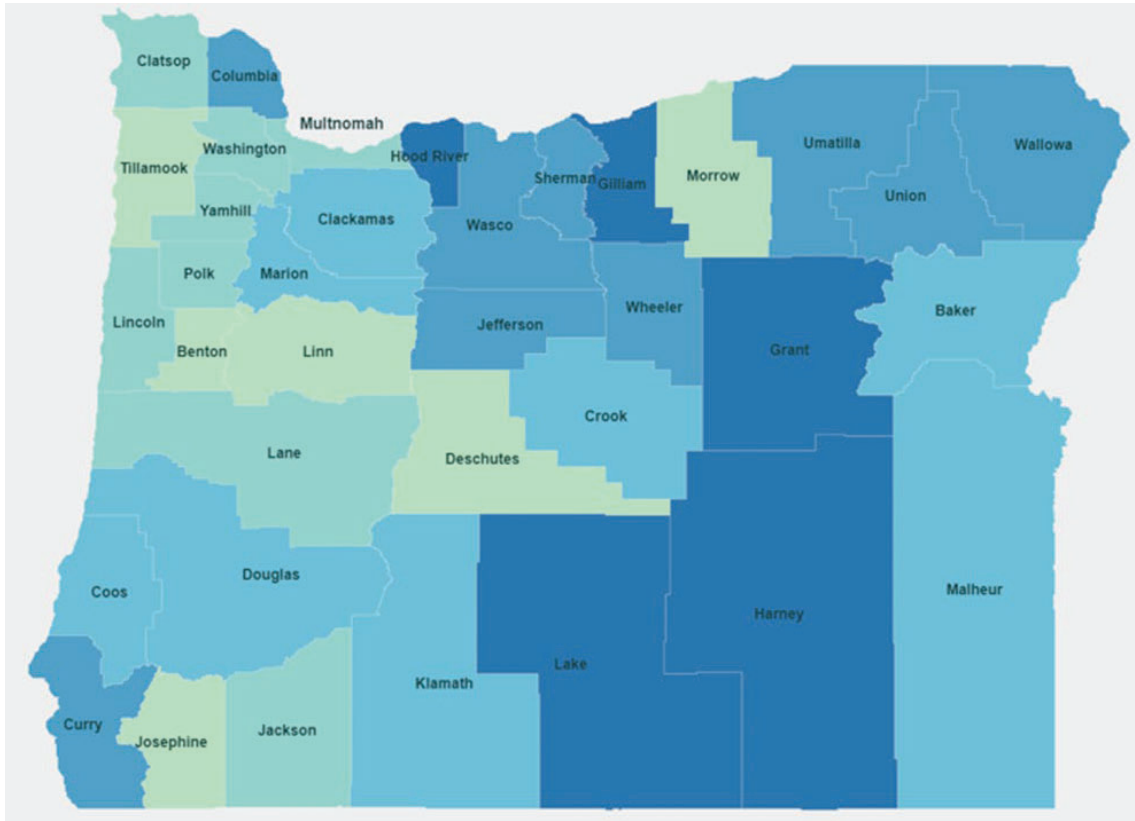


Note: Data includes 2022-23 slot estimates for the following programs: Baby Promise, Preschool Promise, Oregon Prenatal to Kindergarten and federal Head Start/Early Head Start. Tribal Head Start, Migrant & Seasonal Head Start, and other publicly funded program data are not included. Source: Early Learning Division
Total population defined as children ages 0-4 living in families below 200% of the Federal Poverty Level; Source: 2020 ACS 5-Year Estimates, Table B17024

Percentage of Preschool Age Children with Access to a Publicly Funded Early Learning Slot

Recent expansion in preschool programs has increased access for preschool aged children (ages 3 and 4).

Many counties now have access rates above 50%, with 5 counties meeting saturation goals of 80% or more.

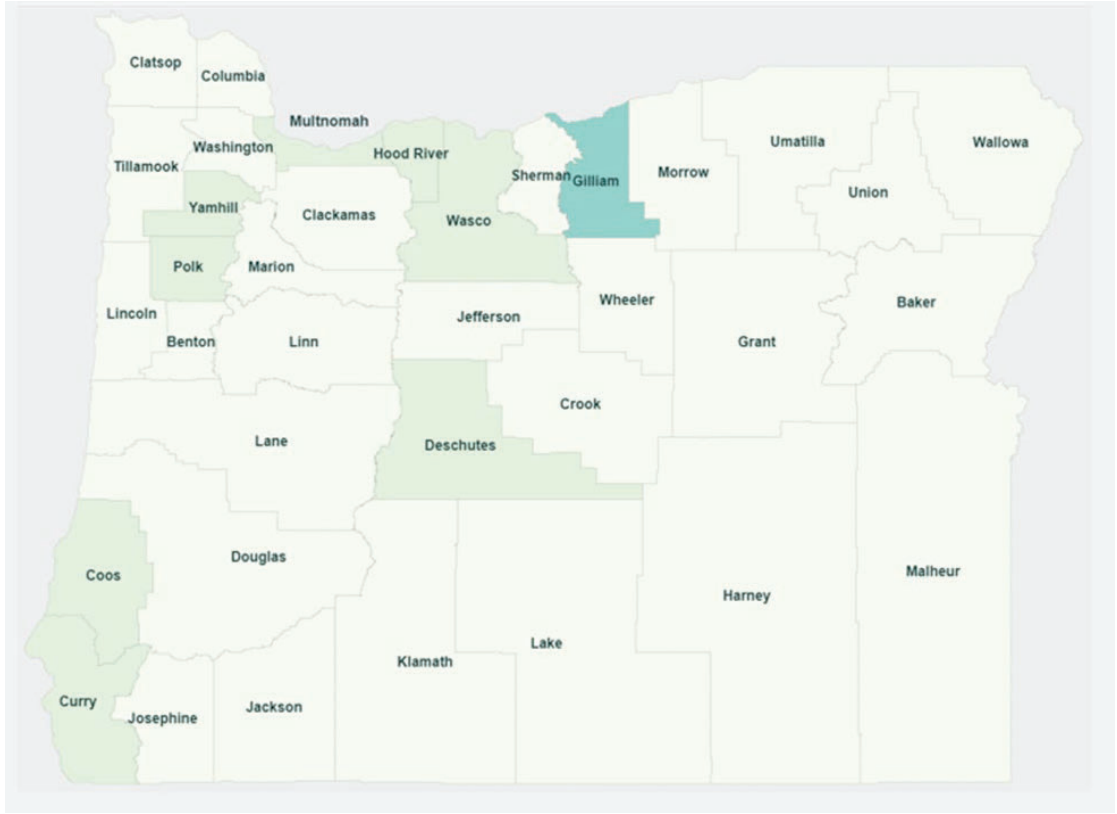


Note: Data includes 2022-23 slot estimates for the following programs: Preschool Promise, Oregon Pre-Kindergarten and federal Head Start. Tribal Head Start, Migrant & Seasonal Head Start, and other publicly funded program data are not included. Source: Early Learning Division
Total population defined as children ages 3 & 4 living in families below 200% of the Federal Poverty Level; Source: 2020 ACS 5-Year Estimates, Table B17024

Percentage of Infants and Toddlers with Access to a Publicly Funded Early Learning Slot

In the majority of Oregon's counties, less than 10% of eligible infants and toddlers have access to a publicly funded slot.

All counties except 1 have access rates lower than 20% for eligible infants and toddlers.



Note: Data includes 2022-23 slot estimates for the following programs: Baby Promise, Oregon Prenatal to Three and federal Early Head Start. Tribal Head Start, Migrant & Seasonal Head Start, and other publicly funded program data are not included. Source: Early Learning Division
Total population defined as children ages 0-2 living in families below 200% of the Federal Poverty Level; Source: 2020 ACS 5-Year Estimates, Table B17024

Governor's Budget: Promoting Access to Services

Recognizes increasing operating costs and allocating resources to increase compensation for our early learning educators will allow programs to recruit and retain the qualified workforce needed to maintain and increase access to early learning and programs

Reduces barriers for access with inclusive classrooms and transportation

Maintains compliance with quality program standards

Strategic Priorities

1. Families with young children have **access to the services**, supports and information they need to thrive;

2. The early childhood educator and child care **workforce is supported** to serve families and is recognized as a professional workforce;

3. **Sustainable operations** of the new Department of Early Learning and Care to provide necessary infrastructure for the early learning and child care system.

2 Supported Workforce

Jon Reeves, professional learning director

Professional Learning

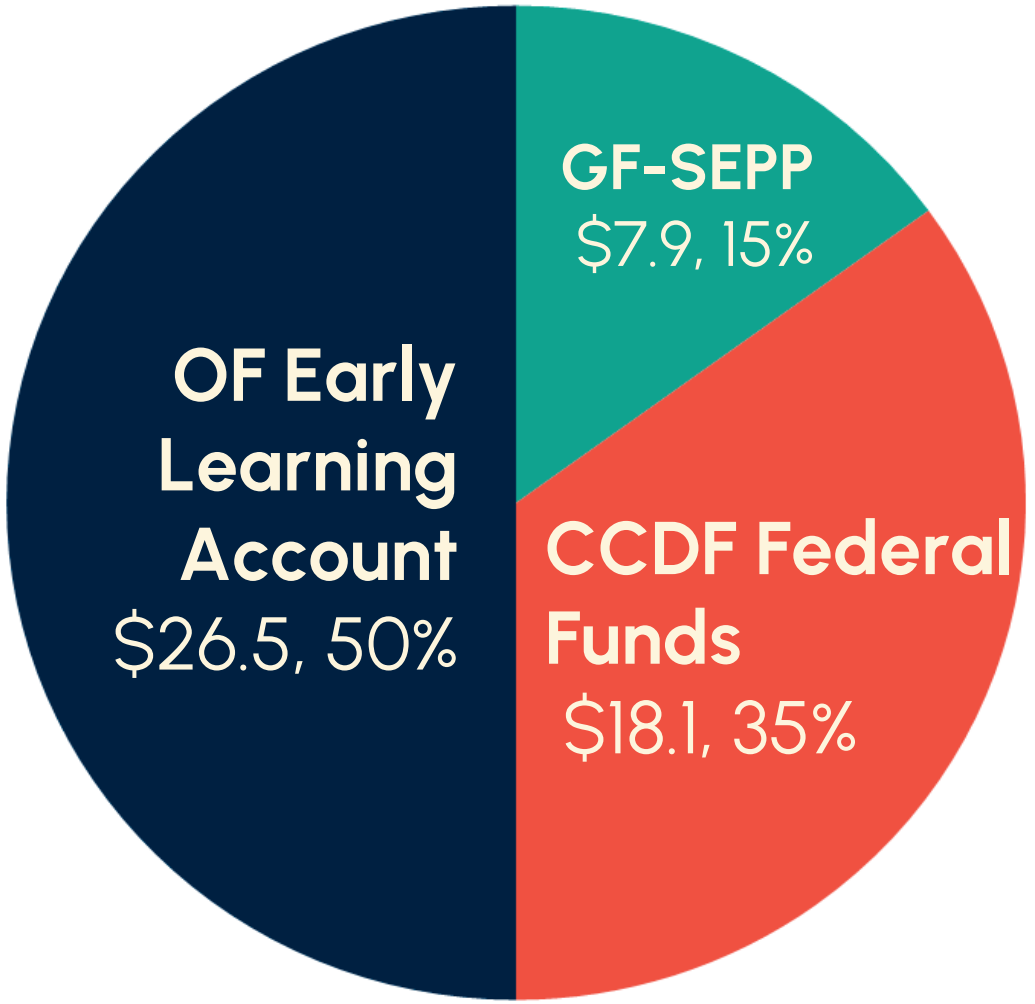
(Grant in Aid)

3.8% of GB

2023-25 Governor's Budget

Total Funds:

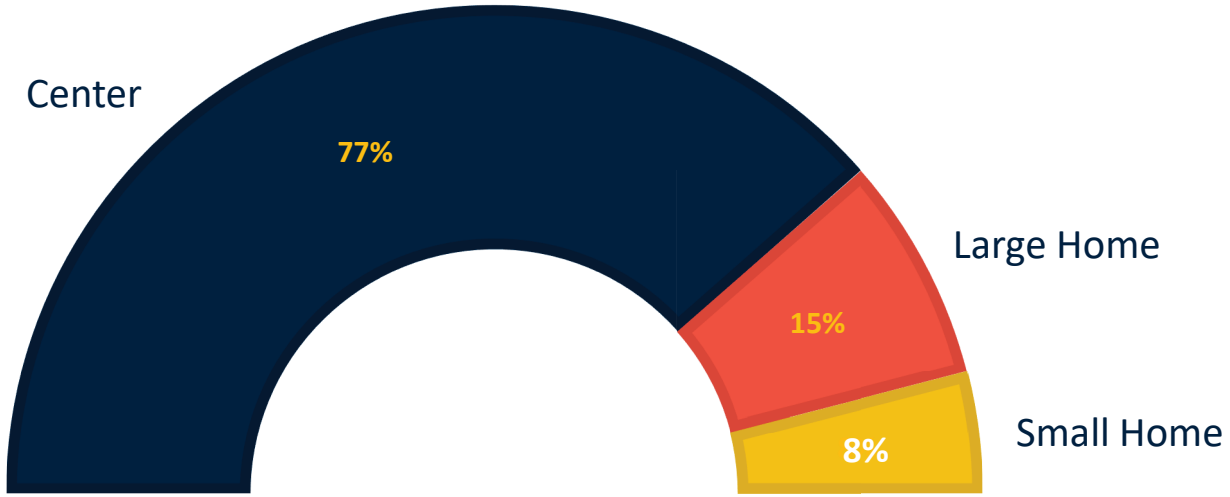
$52.2 million



Who makes up the Child Care Workforce? (2019 data)

24,269

people worked in Oregon regulated early learning and child care facilities



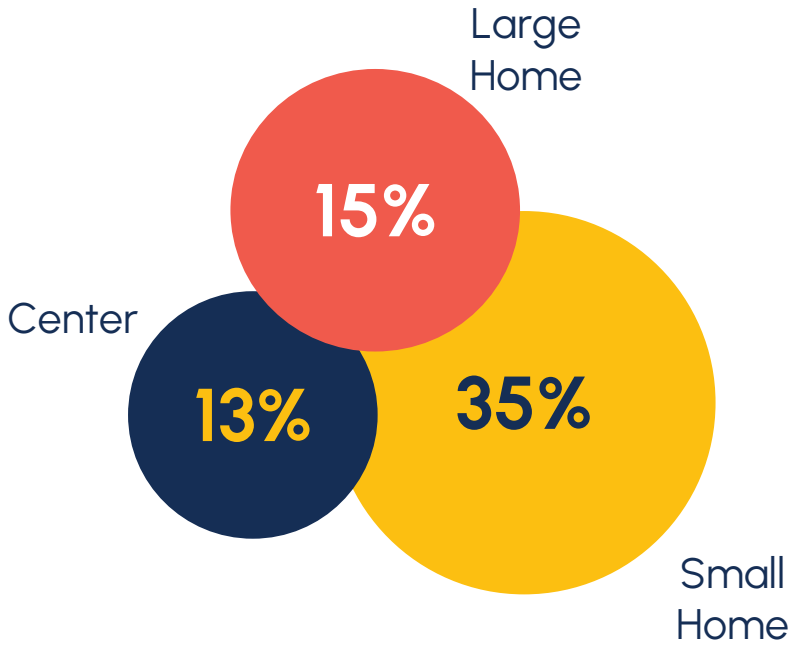
Median Wage

for teachers/head teachers in center-based care

https://health.oregonstate.edu/sites/health.oregonstate.edu/files/early-learners/pdf/research/oregon-early-learning-workforce-2019-key-findings.pdf

Who makes up the Child Care Workforce? (2019 data)

of the workforce identify as a person of color



Language Diversity

Many in the workforce report a primary language other than English

24%
of the workforce leave the field each year

https://health.oregonstate.edu/sites/health.oregonstate.edu/files/early-learners/pdf/research/oregon-early-learning-workforce-2019-key-findings.pdf

Professional Learning System

Workforce Strategies

1. Recruitment and Respect
2. Preparation, Degrees, Credentials
3. Professional Learning
4. Retention

Current Implementation

- Coaching system
- Instructional Coaches available statewide
- Infant Toddler Specialists available statewide
- Critical Competencies for Infant Toddler Educators
- Focused Child Care Networks
- Higher Education Consortium
- Business coaching for child care programs
- Spark Quality Recognition and Improvement System
- Statewide substitute pool
- Child care startup grants

What's Coming

- Expanded coaching and certification for coaches
- Higher Education Consortium model expansion
- Continuous quality improvement with revisions to Spark
- Increased workforce pathways
- Early educator competencies implementation
- Workforce well-being strategies

Major Professional Learning Investments

Early Learning System Initiative

- Coaching, job-embedded professional learning and supports partnered with CCR&Rs
- Early educator competencies implementation

Business Acumen

- Training, coaching and consultation on operating a viable child care business

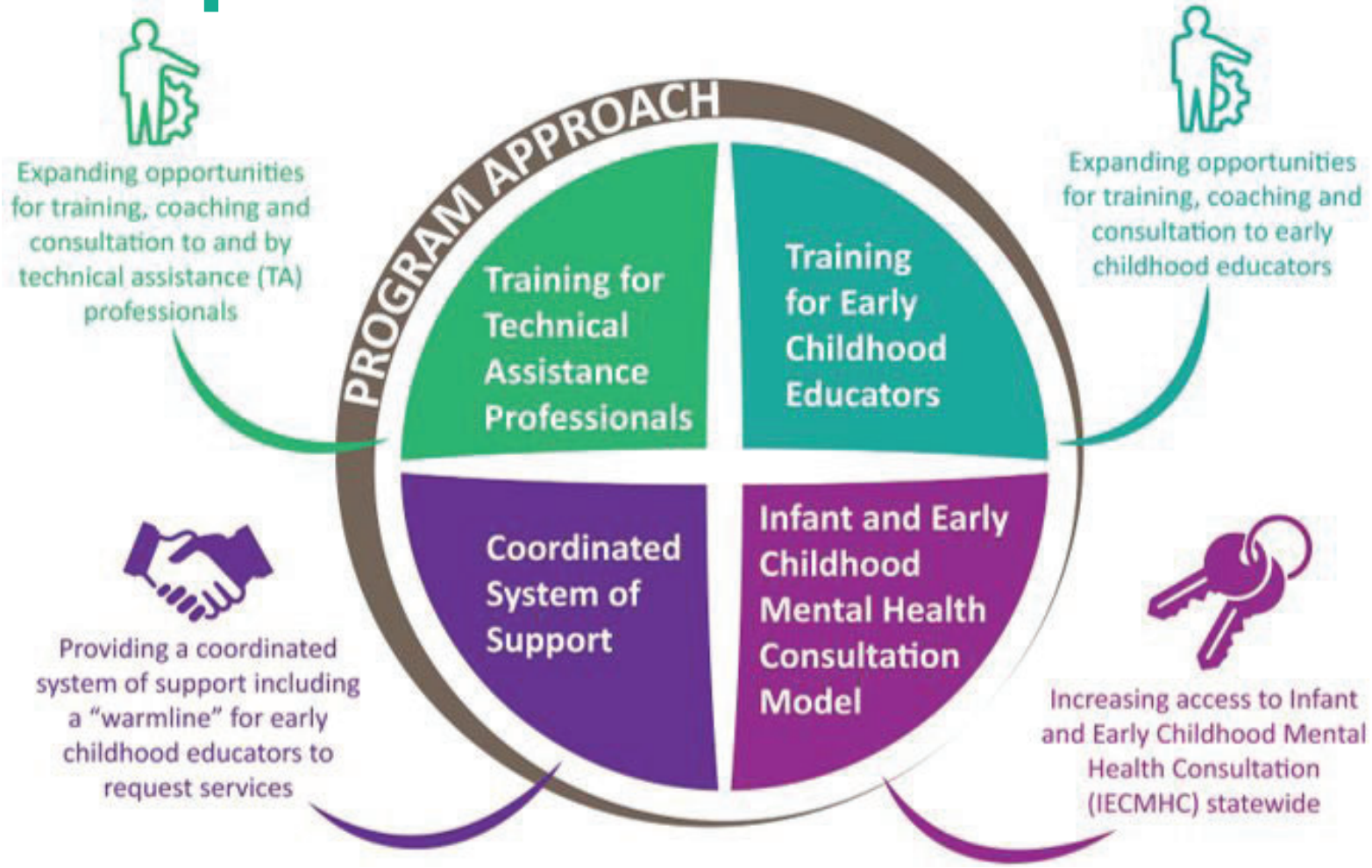
Oregon Registry

- Statewide verified record of all early learning workforce professional development
- Career lattice to support progress, accomplishments, and workforce pathways
- Higher education scholarships and education awards

Central Coordination of CCR&Rs

- Supporting high quality regional training and professional development services for early educators statewide
- Find Child Care Oregon system to help families locate child care
- Spark - Statewide Quality Recognition and Improvement System

Early Childhood Suspension & Expulsion Prevention



Early Childhood Suspension & Expulsion Prevention Program

Purpose of HB 2166 (2021)

- Establish the Early Childhood Suspension and Expulsion Prevention Program to reduce use, and disparities of use of suspension and expulsion in early care and education programs
- Develop technical assistance providers and infant-early childhood mental health consultants to provide support to early care and education programs to promote children's social emotional well-being and growth and prevent exclusionary practices
- Multiple cross-sector opportunities to support the new program (Oregon Health Authority, local community based organizations, parents and child care providers of color, Oregon Department of Human Services, Oregon Department of Education – Early Intervention/Early Childhood Special Education)

Purpose of SB 236 (2021)

- Implement a ban on expulsion and suspension applicable to "ECE programs receiving public funds or registered or certified under ORS 329A.330 and ORS 329A.280"
- ELD will conduct a study on the use of, and efforts to reduce and prevent the use of, suspension and expulsion by September 15, 2024
- Ban is operative July 1, 2026

Early Childhood Suspension & Expulsion Prevention Program

Contract with Trauma Informed Oregon – **Implemented**

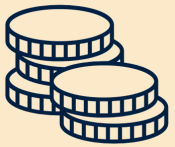
- Central entity supporting the development and implementation of the suspension and expulsion prevention program

Contract underway for a study on the use and prevention of suspension and expulsion and development of the ongoing program evaluation system – **April 2023**

Release of a Request for Proposal to select Regional Service Providers of Infant & Early Childhood Mental Health Consultation – **April 2023**

Contracts with Regional Service Providers – **July 2023**

Governor's Budget: Supporting the Early Learning and Care Workforce



Allocates resources to increase compensation for our early learning educators will allow programs to recruit and retain a qualified workforce

Strategic Priorities

1. Families with young children have **access to the services**, supports and information they need to thrive;

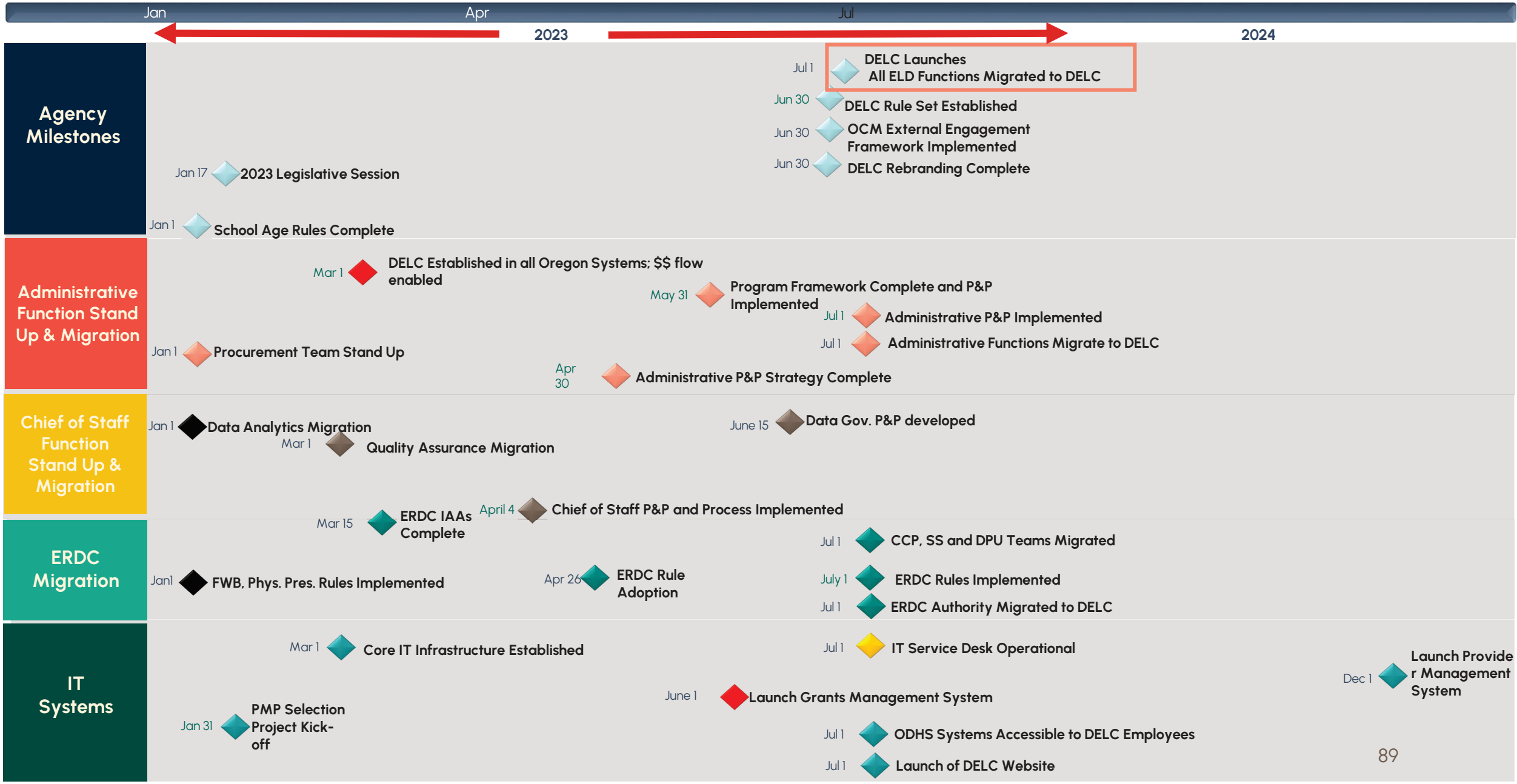
2. The early childhood educator and child care **workforce is supported** to serve families and is recognized as a professional workforce;

3. **Sustainable operations** of the new Department of Early Learning and Care to provide necessary infrastructure for the early learning and child care system.

3 Sustainable Operations

Alyssa Chatterjee, Early Learning System Director

Remaining DELC Key Implementation Milestones



DELC Organization

354 Positions
(343.98 Total FTE)

POP 107
1.0 POS .92 FTE

Early Learning System Director

Executive Support
1.0 POS 1.00 FTE

Chief of Programs Division
50.0 POS 50.00 FTE

- **POP 101** *3.0 POS 2.76 FTE*
- **POP 102** *5.0 POS 4.60 FTE*
- **POP 105** *12.0 POS 11.20 FTE*
- **POP 107** *1.0 POS .92 FTE*

Chief of Policy & Research
13.0 POS 13.00 FTE

- **POP 107** *1.0 POS 1.00 FTE*

Chief Operations Division
78.0 POS 75.50 FTE

- **POP 107** *8.0 POS 7.36 FTE*

Chief of Staff
28.0 POS 28.00 FTE

- **POP 107** *6.0 POS 5.52 FTE*

Tribal Affairs
3.0 POS 3.00 FTE

Human Resources
7.0 POS 7.00 FTE

- **POP 107** *3.0 POS 2.76 FTE*

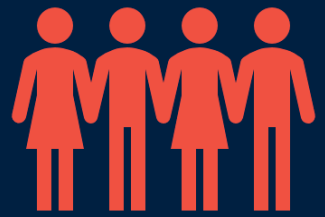
OCC Field Offices Legal & Enforcment
151.0 POS 143.25 FTE

- **POP 107** *8.0 POS 7.60 FTE*
- **POP 109** *0.0 POS .50 FTE*

Hiring Progress

Total of 80 DELC Related positions

57 positions hired



15 positions in active recruitment

8 positions planned for hire in 2023

14 positions approved in 2021

66 positions approved in 2022

12 positions Limited Duration to Permanent

Current Status –

Like most agencies, facing the biggest hiring challenges in Budget, Procurement and IT

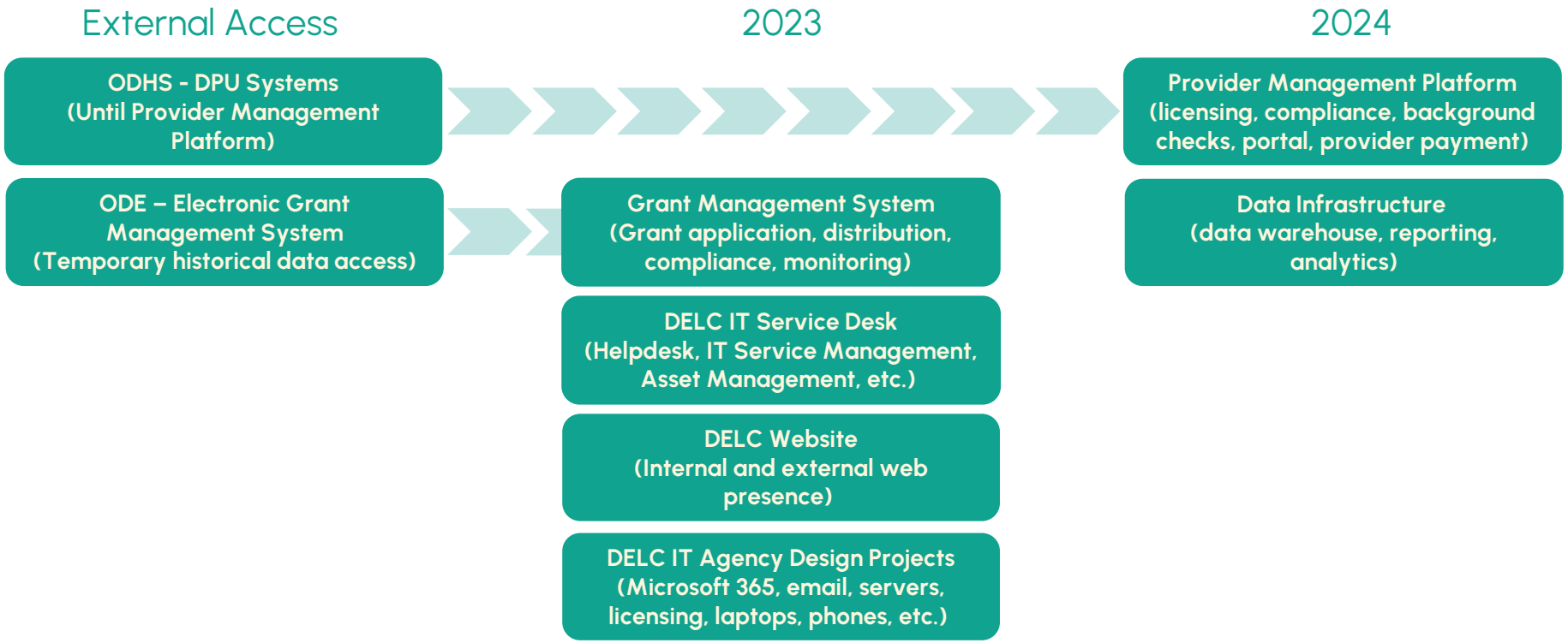
Data as of 01/26/23

Procurement

- Dedicated team of 11 positions, including Procurement Director
  - 9 positions on staff, 2 positions in recruitment
- Developing policies, processes and procedures that are responsive to the needs of community partners and grantees, particularly home-based child care providers and programs that speak a language other than English
  - Dedicated position for Community Outreach to inform procurement processes and ensure community awareness of funding opportunities
  - Shifting to multi-year grant agreements

Information Technology

The creation of DELC requires nimble technology implementations and business responsive solutions. This work includes both acquiring new systems and facilitating access to existing systems.



Information Technology

Grant Management System

Grant Management System (Grant application, distribution, compliance, monitoring)

Description

Implementation of a Grant Management System allows providers to monitor grant funds and submit claims online.

Estimated Project Cost: $2-3M
Funded with one-time ARPA

Recent Progress

Solution identified – Completing contract negotiations

Process mapping complete – Detailed analysis of grant management processes

Temporary Processing Plans – In case of project delay, grant management will continue by utilizing a combination of manual processes and existing technology systems

Risks

Constrained Timeline: System implementation by July 1, 2023

Mitigation Strategy: Temporary processing plans, Utilizing state contracts, Phased implementation

Information Technology

Data Infrastructure Project

Data Infrastructure
(data warehouse, reporting, analytics)

Description

Establish data infrastructure for DELC, including internal and partner data ingestion pipelines, data store(s), master data management, report/dashboard development capabilities, and a catalog for data discoverability.

Recent Progress

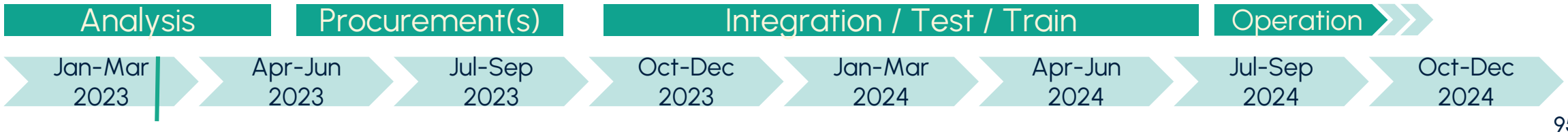
Developed project strategy with sponsor
Concluding Market Research
Started solution analysis process

Estimated Project Cost:
$3-7M
Funded with one-time ARPA

Risks

Constrained Timeline: Obligation of One-Time Federal Funds by September 2023

Mitigation Strategy: Utilizing state contracts, Phased implementation (technology and data integration)



Information Technology

Provider Management Platform

Provider Management Platform (licensing, compliance, background checks, portal, provider payment)

Description

Implementation of a Provider Management Platform to include current provider payment capabilities supported by the ODHS Direct Payment Unit (DPU) and licensing capabilities supported by the ELD Child Care Regulatory Information System (CCRIS).

Recent Progress

Project Management and Business Analysis contractor engagement

EIS Oversight Stage Gate 1 Submission

Estimated Project Cost: $10-$15M

Funded with one-time ARPA

Risks

Constrained Timeline: Obligation of One-Time Federal Funds by September 2023

Mitigation Strategy: Contracted Project Management and Business Analysis

Scope Management: Multiple interested parties

Mitigation Strategy: Vision/Scope sessions, Change Management, Broad Steering Committee

Accountability

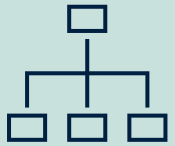
DATA COLLECTION

QUALITY ASSURANCE

RESEARCH AND EVALUATION

COMMUNITY ENGAGEMENT

Governor's Budget: Sustaining DELC Operations



Funds foundational functions for a new agency, such as payroll, auditing, and HR capacity

Right-sizes Office of Child Care licensing capacity for current-state services

Invests in IT costs associated with ERDC program implementation

Governor's Budget and Policy Packages

Linnea Wittekind, Budget Services Director

Governor's Budget Key Impacts

The Governor's Budget represents a 6.9% increase above Current Service Level

Existing programs are stabilized to realize fully-funded service level by addressing increased operational costs

The workforce is supported with investments in compensation and subsidy rates.

DELC continues to see investments in operational sustainability with additional capacity to support staffing and quality assurance to meet the needs of Oregonians.

Implementing Governor's Budget

SB 427:

- Additional statutory authority to support ERDC program
- Clarifies use of Early Learning Account by DELC and Department of Education
- Preserves ability to expend legislatively directed appropriations
- Aligns procurement authority with DELC charges
- Ensure appropriate delegation authority for Director

LC 508:

- OPK ability to move to multi-year grant agreements

LC 485:

- Ability to share information between OCC and other DELC staff

Early Learning Program Enhancements and Expansion
Policy Option Package 101

- ❑ Increase compensation in Healthy Families Oregon, Relief Nurseries, Oregon Prenatal to Kindergarten, Preschool Promise and Equity Fund programs
- ❑ Initial investment to fund inclusionary supports in early learning programs
- ❑ Initial investment in community transportation solutions
- ❑ Funding to convert existing Preschool Promise services to include summer hours

- ➢ $62.5 million General Fund

ERDC Implementation

Policy Option Package 102

- ❑ Funding to move toward the cost of quality care and limited caseload expansion
- ❑ Technology system changes for expanded eligibility at ODHS
- ❑ Interagency agreements with Oregon Department of Human Services to support program administration to meet federal requirements
- ❑ Communications to families and child care providers to increase family participation and increase supply of child care providers and operations support to the Agency

➢ $41.3 million General Fund, including 3 positions (2.76 FTE)

No. Of Positions	Position	Purpose
3	Program Analyst	Serve as Childcare navigators to connect families with finding ERDC providers.

Program Quality Assurance

Policy Option Package 105

- Operations support to increase technical assistance and monitoring to ensure early learning programs maintain the level of quality expected of publicly funded programs

- $1.7 million Total Funds, 7 positions (6.44 FTE)

No. Of Positions	Position	Purpose
1	PEM/E	Program Implementation Manager
2	Program Analyst 4	2 filled LD positions made permanent
4	Program Analyst 3	3 Quality Assurance positions 1 HFO support analyst

Family & Program Provider Engagement

Policy Option Package 106

- Compensation for community members, families and early learning professionals who participate in the Agency's community engagement opportunities

- $0.25 million General Fund

DELC Operations
Policy Option Package 107

- Positions to increase current operational support across the Agency

  - $2.7 million Total Funds, 13 positions (12.03 FTE)

No. Of Positions	Position	Purpose
1	Auditor 3	Internal Audit
1	Human Resource Analyst 3	Senior HR Analyst
1	Human Resource Assistant	Payroll Assistant – current structure only has 1 pos.
1	Public Affairs Specialist 2	ERDC Communications
2	Accounting Technician	Support accounting functions
1	Information System Specialist 5	Support growing IT functions
1	Operations & Policy Analyst 2	Focus on Key Performance Measures
5	Compliance Specialist 2	2 Investigation Specialists (new) 3 LD positions permanent

Healthy Families Oregon Database

Policy Option Package 108

- ❑ Funding to purchase a database system for Healthy Families Oregon program to meet requirements and maintain accreditation with Healthy Families America

- ➢ $0.8 million General Fund

DELC Position Clean-up

Policy Option Package 109

- ❑ Reclassifications to align positions with current job descriptions

- ➢ $0.2 million Total Funds

Program Research & Evaluation Funding

Policy Option Package 109

- Funding to initiate research and evaluation practices and processes

- $0.3 million General Fund

Governor's Budget Reductions

- ERDC Program *($11.6M GF)*
- Reduce 1.0 Position/FTE in Operations *($0.3M GF)*
- Increase in vacancy savings *($0.4M GF)*
- Services & supplies *($5.5M Total Funds)*
- Attorney General costs *($0.5M Total Funds)*
- State Government Services Charges *($0.3M Total Funds)*

Key Performance Measures

KPMs were revised in 2021 for ELD and will need to be redefined for DELC, focusing on customer service and quality assurance.

KPM	2023 Target	Latest Data	Data Source
Protecting the Health & Safety of Children in Child Care - Percentage of citations for a serious valid finding that received a timely follow-up visit to confirm compliance.	86.0%	93.6% (2022)	OCC Licensing Data (QA team)
Access to Early Care and Education: Infants & Toddlers - Percentage of infants/toddlers (birth-2 years) with access to a regulated child care slot.	15.4%	14.19% (2020)	Estimating Supply Dataset (OSU, OCCRP)

Key Performance Measures

KPMs were revised in 2021 for ELD and will need to be redefined for DELC, focusing on customer service and quality assurance.

KPM	2023 Target	Latest Data	Data Source
Access to Early Care and Education: Preschool Age - Percentage of preschool age children (3-4 years) with access to a regulated child care slot. • Regulated child care slots include Certified Centers, Certified Family, and Registered Family Providers.	35.65%	32.39% (2020)	Estimating Supply Dataset (OSU, OCCRP)
Early Learning Workforce Retention (all) - Percentage of early learning providers who have remained in the workforce.	65.05%	60.72% (2019)	ORO and Workforce Dataset (OSU, OCCRP)

Planning for the Future

The creation of DELC is an opportunity for long-term cost containment

- Establishing policies, processes and procedures across the agency that are responsive to the needs of DELC partners, particularly home-based child care providers
- Aligning and coordinating policies and data collection across programs to reduce the burden on grantees and create internal efficiencies for information processing
- Replacing legacy IT systems
    - Grants Management
    - Provider Payments

Thank You

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